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**WAR AND TREATY LEGISLATION**





# WAR AND TREATY LEGISLATION

AFFECTING BRITISH PROPERTY IN GERMANY  
AND AUSTRIA, AND ENEMY PROPERTY IN  
THE UNITED KINGDOM

BY

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## PREFACE

THE intention of this work is to provide a handbook and a finger-post for the guidance of those who are led either by necessity or inclination to thread the maze of War and Treaty Legislation.

I have received much kind assistance from many quarters, and if I refrain from mentioning by name all those who have given me the benefit of their knowledge and experience, they will, I trust, nevertheless believe that I am not unmindful of their kindness.

I am specially indebted to my friend, Mr. M. R. Emanuel, of the Inner Temple, who has compiled the index, and my thanks are also due to Mr. M. H. Colley for his valuable assistance in consolidating the Treaties and Orders in Council.

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J. W. SCOBELL ARMSTRONG.

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#### CORRIGENDA

- Page 56. In Article 5, line 2, the words "in the German Protectorates" should read "abroad or in the German Protectorates."
- „ 60. In Article 7, para. 5, line 1, the words "1 and 3" should be "1 to 3."
- Pages 225, 235, 361. The Treaty of Trianon came into force upon 26th July 1921, after this book had gone to press.

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PART I

*TREATMENT OF BRITISH PROPERTY, RIGHTS  
AND INTERESTS IN GERMANY DURING  
THE WAR*





## CHAPTER I

### INTRODUCTION

THE steps which eventually led to the extension of hostilities into every channel of commerce and finance were initiated by the Allied Powers. As long as the Allied fleets held control of the seas, Germany had obviously nothing to gain and much to lose by such a policy, and was at the outset careful to refrain from any action of the kind. In the initiation of every restriction upon commercial intercourse with the Allies or measures affecting the property of their nationals which she subsequently instituted, the fact was always emphasized that such legislation was purely retaliatory.

The whole of the German legislation with regard to commercial intercourse with the enemy and the treatment of enemy property is described in the German textbooks as "Measures of Retaliation," and was based upon Article 3 of the Law enabling the Federal Council to take Economic Measures of 4th August, 1914, a translation of which will be found on p. 19.

### TRADING WITH THE ENEMY

The term "Trading with the Enemy" has no counterpart in German law, but is a convenient title under which to classify the various enactments affecting commercial intercourse with enemy countries as distinct from those which related to the treatment of enemy property in Germany.

*Prohibition of Payments to Great Britain.*—Under German Law commercial intercourse with enemies was not before the recent war the subject of any direct prohibition. The only legal restriction affecting it seems to have been that contained in Articles 89 and 90 of the German Criminal Code, under which it is in time of war an offence punishable as treason for any person to assist the enemy or to place in his possession ammunition or other necessities of war. Neither the Civil nor the Commercial Code contains any section relating to the effect of war upon contracts with enemy subjects.

As a reprisal for the provisions prohibiting commercial

intercourse with the enemy contained in the British Proclamation of 9th September, 1914 (see p. 177), and in the Trading with the Enemy Act of 18th September, 1914 (see p. 123), the German Government issued on the 30th September, 1914, a Decree prohibiting all payments to Great Britain and her Colonies (see p. 21).

The Decree in question was strictly territorial in its application. It prohibited the transmission of funds in any manner whatsoever, direct or indirect, to Great Britain or to her Colonies, irrespective of the nationality of the persons for whom they were destined, but it did not affect the payment of debts to British nationals who were resident in Germany or in neutral countries. Unlike the British Proclamation, it envisaged the enemy country as a whole, and not the persons resident therein, thereby avoiding the many difficulties involved in a precise definition of the term "enemy." As an exception it expressly authorized payments to German subjects resident in enemy territory for their maintenance, and, in this respect also, differed from the British Proclamation under which payments of the kind could only be effected by means of a special licence.

The Decree prescribed a moratorium in respect of all claims by persons, firms, or companies in British territory, during which no interest was payable for delay, and it extended this moratorium to claims by the assignees of such persons, in all cases where the assignment had taken place on or after the 31st July, 1914, or—in the case of an assignee resident in Germany—at a date subsequent to the coming into force of the Decree. This last provision indicated greater foresight on the part of the German legislature than was manifested by our own, since it prevented the transfer of claims for purposes of evasion, which so largely defeated the objects of the first Trading with the Enemy Act, and was one of the causes which led to the passing of the Trading with the Enemy Amendment Act of November, 1914. In order to claim the relief afforded by the moratorium, it was only necessary for the debtor to prove that at some time or other the debt had been due to a British national. The burden of proving that the claim in respect thereof had been transferred before 31st July, 1914, to a neutral assignee, or transferred before 30th September, 1914, to an assignee resident in Germany, was laid upon the creditor. Under this Decree a debtor might free himself from liability by depositing the amount due with the Reichsbank for account of his British creditor, but, being exempted from the payment of

interest for delay, German debtors had little incentive to avail themselves of this provision.

The Decree expressly authorized the settlement in Germany of claims in favour of persons resident in Great Britain in respect of debts due to their German businesses, subject to the proviso that the moratorium should apply to any such claim if brought by way of recourse against a German national on account of the non-acceptance or non-payment of a bill of exchange drawn upon a foreign country (see Article 5).

In the application of the Decree, due regard was paid to the interests of German creditors. Banks in Germany were permitted to honour cheques drawn by persons resident in Great Britain on funds lying to their credit in Germany, if drawn in favour of German creditors, and the settlement of a debt due to a person resident in Great Britain by payment to a creditor of such person in Germany was also permitted. The scope of the Decree was strictly confined to preventing the transmission of funds to enemy territory. It did not, for instance, affect the proving of British claims in the bankruptcy of German debtors, but dividends declared in favour of a creditor in Great Britain had to be deposited for his account by the Receiver.

The provisions of this Decree, both as regards England and as regards the other enemy countries to which it was shortly afterwards extended, were subsequently modified in favour of German traders who before the war had been carrying on business in the enemy countries, but had, at the outbreak of war, transferred their residence to Germany or to neutral countries. On the 20th December, 1914, the Imperial Chancellor issued a Proclamation declaring that the prohibition should not in future apply to debts due to undertakings situate in enemy countries in cases where payment was claimed by a German partner who had left the enemy country in question by reason of the war.<sup>1</sup> The wording of this Proclamation, however, did not make its intention sufficiently clear, and numbers of Germans, both in Germany and in neutral countries, complained that the moratorium affecting enemy claims was being unfairly used against them. As a result of their representations, an Amending Decree was eventually issued on 17th January, 1917 (see p. 25), which provided that if a German national claimed payment of a debt, either on his own behalf or on behalf of an undertaking, all the partners in which were Germans, and if the

<sup>1</sup> See p. 23.

claimant in such a case was resident in German or Austrian territory, so that it might be safely assumed that the money would not find its way to enemy countries, the moratorium provisions contained in the earlier Decree should not apply. It further enabled the Imperial Chancellor to cancel the moratorium in cases where payment was demanded by Germans resident in neutral countries if he was satisfied that the money would neither reach nor benefit an enemy partner.

On the 13th October, 1914, a general licence was issued by the Imperial Chancellor (Reichsanzeiger 242) authorizing payments to Great Britain for the purpose of acquiring or preserving rights in respect of patents, designs, or trade-marks in that country, and on the 20th October, 1915, a general licence authorizing the payment of rent due in Great Britain by German nationals (see p. 25).

*Prohibitions against Dealings in Securities bearing a British Stamp.*—The appearance in Germany during the early months of the war of a large number of British stamped German securities, which had found their way from Great Britain through neutral channels, gave rise to the apprehension that this country was making a deliberate attempt to undermine Germany's credit abroad, by unloading German securities at low prices in neutral markets. It was also thought that funds were being indirectly drawn out of Germany for enemy benefit by this means. The Reichsbank announced its intention to do no further business whatsoever with any firm known to have had dealings in securities bearing British stamps, but these steps being thought insufficient to meet the danger, a Decree was issued on 19th November, 1914 (see p. 30), prohibiting all dealings in such securities unless they had been continuously in Germany since 31st July, 1914.

*Cancellation of Contracts with Enemy Nationals.*—On 16th December, 1916, a Decree was passed authorizing the Imperial Chancellor to cancel contracts between German nationals and enemy nationals upon application by the German contracting party (see p. 27).

#### LEGISLATION AFFECTING ENEMY PROPERTY IN GERMANY

*Supervision.* The first measure of interference with British businesses in Germany was the Decree of 4th September, 1914, which empowered the Central State Authorities to place enemy or enemy-controlled undertakings under State supervision (see p. 32), as a reprisal for the supervision



of German banks and other German undertakings which had been instituted in Great Britain and France.

In the application of this Decree the word "undertaking" was construed in its widest sense, and supervision might be instituted in the case of undertakings controlled from enemy countries, irrespective of whether they were conducted for purposes of commerce or not. The Decree applied, for instance, to undertakings which consisted solely in the management of landed property. The fact that the majority of the directors were enemy nationals or the representatives of an enemy trust was regarded as sufficient in itself to bring a business within the scope of the Decree, and the question whether the control was exercised by an alien or by a German subject was considered immaterial if it was exercised from an enemy country. The Decree was treated as applicable to companies the majority of whose shares were held by shareholders resident in enemy countries or by persons in Germany acting as their agents.

The Supervisor of an undertaking was entitled to veto any act or dealing which was likely to benefit the enemy and to prejudice German interests, but he had no right to interfere directly with the management of the undertaking, or to engage, dismiss, or give instructions to employees. He was not entitled to represent the owner of the undertaking in relation to third parties or to collect debts on his behalf.

On the 22nd October, 1914, an Amending Decree was issued (see p. 33) which provided that, in cases where there was no legal representative of a supervised undertaking available in Germany, the Supervisor should have the power to apply to the District Court for the appointment of a "Representative." The person so appointed was subject to the control of the Supervisor, and under instructions from the latter could wind up either wholly or partially the current business of the undertaking. The object of this Decree was to make provision for the performance of contracts and the winding up of transactions already entered into, in cases where all those in charge of the undertaking and entitled to act as its legal representatives had quitted Germany.

*Compulsory Administration.*—On the 26th November, 1914, a Decree was issued enabling the Central State Authorities, with the consent of the Imperial Chancellor, to place under compulsory administration undertakings the greater part of whose capital was held by French nationals (see p. 34). On the 22nd December of that year

this Decree was extended to undertakings in which British nationals held a controlling interest (see p. 36).

Under these Decrees the Administrator was authorized to take possession of the undertaking and to act as its legal representative in all matters. It was left entirely to his discretion whether the undertaking should be carried on or brought to a standstill, and it was open to him, if he thought fit, to lease the whole business. He exercised all the powers of the shareholders, managers, and Board of Directors, and was authorized to perform acts which under normal conditions could only have been rendered valid by the votes of the majority at a general meeting of shareholders. He was not, however, entitled to alter in any way the terms of the contract of association or to increase or diminish the capital of the undertaking.<sup>1</sup> The undertaking was charged with all costs of administration. All surplus funds had to be deposited with the Reichsbank for account of the enemy nationals entitled thereto, but the Central State Authority was authorized, in the case of enemy nationals resident in Germany, to permit the payment to them of such sums as might be necessary for their maintenance.

In the case of companies or partnerships, the Administrator was authorized, upon the application of a German shareholder or partner, and subject to the consent of the Central State Authority, to dissolve the undertaking as soon as current transactions had been wound up; and it was further provided that the Imperial Chancellor should have power to authorize dissolution in any case. The Decrees did not, however, lay down very clearly the lines upon which a "dissolution" was to be effected, and their provisions in this respect seem to have amounted to little more than a threat, since no general policy of liquidation resulted from them.

The policy of the German Government in regard to compulsory administration appears to have been influenced by two different and not easily reconcilable motives. It was desired, on the one hand, to use it as a means of retaliation for the purpose of deterring enemy Governments from further hostile action against German property in enemy countries. It was desired, on the other hand, to preserve the businesses in question as an asset for meeting the indemnities to be exacted from the enemy upon the termination of the war. The first of these motives was, in practice, subordinated to the second, and the administration of enemy businesses was as a rule conducted with a careful eye to their conservation.

<sup>1</sup> Schlegelberger, vol. iii, p. 708.

It is noteworthy that in the Decrees relating to Compulsory Administration the principle of nationality was substituted for the territorial principle which had been adopted in the earlier laws, and that all undertakings controlled by enemy nationals, whether resident abroad or in Germany, were liable to administration.

It was soon found that enemy shareholders, in order to bring the undertakings in which they had controlling share interests outside the scope of the Decrees, were transferring their interests to Germans or to neutrals, and on the 5th January, 1915, an amending Decree was issued (see p. 36) providing that no transfer of the capital of an undertaking which had been effected after the 26th November, 1914, should render the principal Decree inapplicable, but permitting persons who had after that date acquired shares from an enemy national to withdraw from the contract within a month from the time at which the undertaking was placed under compulsory administration. The new Decree, while protecting the interests of the transferees, who might in some cases have entered into such transactions in good faith, rendered this method of evasion ineffective.

*Patents, Designs, and Trade-marks.*—On 1st July, 1915, a Decree was issued under which rights in respect of patents, designs, and trade-marks belonging to enemy nationals might, by Order of the Imperial Chancellor, be restricted or cancelled, and licences to work or use them granted to third parties. The Decree prohibited all further grants to or registrations on behalf of enemy nationals (see p. 63).

*Notification and Embargo.*—Up to this time the German measures of retaliation had been confined to enemy “undertakings,” and for the purposes of the foregoing Decrees the commercial and land registers had sufficed to supply all necessary information; but, in order to lay the foundation for more drastic action against enemy property generally, and in order that the Government might ascertain the value of such property as a possible pawn in future peace negotiations, a Decree was issued on the 7th October, 1915 (see p. 47), which required all property in Germany belonging to enemy nationals to be notified in accordance with regulations to be issued by the Central State Authorities, prohibited all dealings with such property unless the owners were resident in Germany, and also forbade its removal abroad. The Decree applied to those classes of enemy property which had not been brought under the direct control of the State by previous legislation, but did not apply to property already



under supervision or compulsory administration. It should be observed that the principle of notification had already been adopted by the British legislature in the Trading with the Enemy Amendment Acts of November, 1914, and July, 1915 (see pp. 129 and 140).

The term "property" was, for the purposes of the Notification Law, construed in its widest possible sense and was treated as embracing claims of every kind, whether personal or transferable, even those which were unenforceable at law.<sup>1</sup>

On the 10th October, 1915 (see p. 50), a Proclamation was issued by the Imperial Chancellor containing Regulations as to the manner in which notification should be effected, which may be briefly summarized as follows :

1. All enemy nationals resident in Germany, with the exception of combatant prisoners of war, were required to file a declaration setting out the whole of their property in Germany of whatsoever nature.

2. Every person having the custody or management of enemy property<sup>2</sup> was required to file a declaration specifying the various classes of property in question, and giving the name, residence, and nationality of the person or undertaking to which it belonged.

3. Every person who owed money to an enemy national abroad or to an undertaking situate in an enemy country was required to file a declaration stating the amount and giving the name, place of residence, and nationality of the creditor.

4. The directors and managers of an undertaking situate in Germany in which any national of an enemy country was interested, whether as a shareholder or otherwise, were required to file a declaration indicating the name and place of residence of such enemy national and the nature and extent of his interest.

The nationality of a limited company, or other association constituting a juridical person under German Law, depended for the purposes of this legislation, not upon the ownership of the shares, but upon the country in which the association was incorporated and had its head office. If it was incorporated in an enemy country it was treated as an enemy national, even if the shares were entirely in neutral hands. If, on the other hand, it was incorporated in a neutral country, then, even though the whole of its shares were in enemy hands, it was treated as a non-enemy national, and

<sup>1</sup> Schlegelberger, vol. ii, p. 439.

<sup>2</sup> I.e., the property of enemy nationals.

its property in Germany was neither notifiable nor under embargo.

In the case of unlimited partnerships and other associations which had no legal entity, the nationality of the undertaking depended upon the nationality of the individual partners or members, who under German Law are in such a case regarded as the "owners" of the undertaking (see Article 5 of the Imperial Chancellor's Regulations of 10th October, 1915, p. 51). If none of the "owners" of an undertaking situate in an enemy country were enemy nationals, the property of the undertaking in Germany was neither notifiable nor under embargo. If, on the other hand, any of the "owners" of such an undertaking was an enemy national, all property in Germany of such an undertaking was treated as enemy property and had to be notified as such. The property of undertakings established in neutral countries was treated as enemy property if all the "owners" of the undertaking were enemy nationals, but not otherwise.

It was the practice of the Central State Authorities, in exercising the powers conferred upon them by the Decree, to appoint the Chambers of Commerce to act as Notification Offices (Anmeldestellen).

A subsequent Decree of 16th December, 1916 (see p. 54), provided for the notification by German creditors of claims against debtors in enemy countries.

*Liquidation.*—On the 31st July, 1916, as a reprisal for the winding-up policy instituted in Great Britain and embodied in the Trading with the Enemy Amendment Act of the 27th January, 1916,<sup>1</sup> the German Government issued a Decree authorizing the Imperial Chancellor to order the liquidation of any undertaking the greater part of whose capital belonged to British nationals or which was directed or controlled from Great Britain, or the liquidation of the British interest in any undertaking. The Decree provided that the word "undertaking" was to be treated as covering branches of an undertaking, estates of deceased persons, and land. A Liquidator under this Decree had practically unlimited powers. He might sell the undertaking as a whole or might sell the British interest therein, either to the undertaking itself or to a third party, and in the case of shares, he might cancel them and issue new shares. He was not bound by the moratorium provisions contained in the Decree of the 30th September, 1914, prohibiting payments to England, and might enforce the discharge of any debt. The Decree provided that the

<sup>1</sup> See p. 144.



costs of the liquidation should be defrayed out of the proceeds thereof, and that the balance should be deposited in accordance with instructions to be issued by the Central State Authority in consultation with the Imperial Chancellor. Out of such proceeds the Central State Authority was authorized to license the payment, to a British shareholder resident in Germany, of such sums as might be necessary for his maintenance.

### THE CUSTODIAN OF ENEMY PROPERTY

On the 19th April, 1917, a Decree was issued authorizing the Imperial Chancellor to appoint a Custodian of Enemy Property (see p. 58), a step which had been taken by Great Britain more than two and a half years earlier. The Custodian was at first responsible to the Imperial Home Office, but after the division of the Home Office which took place in December, 1917, he became responsible to the Department of Imperial Economy (Reichswirtschaftsamt). The declared objects for which the office of Custodian of Enemy Property was created were to secure greater uniformity and centralization in administering the various laws affecting enemy property, and to arrive at a classified statistical survey of all enemy property in Germany, such as would enable the Government to ascertain what amount of property of every kind belonged to nationals of the different States with which Germany was at war.

The functions of the Custodian may be classified under three heads :

1. The control of all enemy property not hitherto interfered with.

2. The custody and administration of the surplus profits of supervised and administered undertakings and of the proceeds of liquidations.

3. The compilation of statistics.

The Custodian was given an unrestricted power to take under his administration all enemy property or debts due to enemy nationals except—

- (a) Business undertakings and land.

- (b) Property already subjected to supervision, compulsory administration, or liquidation under previous Decrees.

In the case of (a) he could take no action without the sanction of the Central State Authorities, whose discretion with regard to the treatment of such classes of property was in no way interfered with by the Decree.

In the case of (b) his functions were confined to the administration of such surplus funds as were handed to him by Supervisors, Administrators, or Liquidators.

As soon as the liquidation of an enemy undertaking had been completed it was "closed," and a final report in triplicate was thereupon sent to the Custodian, to whom all surplus assets and unrealizable securities were at the same time transferred. The transfer was often effected by means of a mere book entry, the transferred moneys remaining in the banks where they had been hitherto deposited. It was left to the Central State Authority to provide for the custody of the books and documents of the undertaking.

The Custodian's power to take enemy property under his administration was exercised by means of a notice addressed to the holder of the property in question. The Decree being permissive, the power was not invariably exercised. He did not, for instance, usually take under his administration the personal property of enemy nationals resident in Germany, to whom the right to dispose of their property had been expressly reserved by Article 9 of the Notification Law (see p. 48).<sup>1</sup> As a general rule, however, notices were addressed by the Custodian to those persons who had notified enemy property or enemy claims to the Chambers of Commerce under previous Decrees, informing them that he had decided to take the property or claim in question under his administration (see sample in Appendix VI). From the moment such a notice was issued, the powers and duties of the Custodian in relation to the property were those of a compulsory administrator (see Article 2 of the Law relating to Compulsory Administration of 26th November, 1914, on p. 34). The property could not thenceforward be disposed of or dealt with in any manner by the holder without his express sanction. Such a notice, however, did not in practice necessarily involve the transfer of the property or payment of the debt to the Custodian, unless he exercised his right to demand delivery or settlement (see Article 6 of the Decree on p. 59).

As from the date of this Decree, all money or other property which had been deposited with the Reichsbank for enemy account under previous Decrees was transferred to the Custodian, and, with certain exceptions, all notified enemy property which had not hitherto been directly interfered with passed under his administration. Any person desirous of discharging his liability to an enemy could do so by paying

<sup>1</sup> Bückel, p. 43.

the amount of his debt to the Custodian, and it was the practice of the latter to accept German War Loan at its face value in payment.<sup>1</sup>

The Custodian was, under German Law, the legal representative for all purposes of the enemy creditor. He was, for instance, entitled to represent the enemy creditor in an action to recover money or in bankruptcy proceedings against a German debtor, or at a General Meeting of shareholders. The German debtor, on the other hand, retained as against the Custodian any lien or other right of the kind upon which he would have been entitled to rely as against his original creditor,<sup>2</sup> but he could not as against the Custodian rely upon the moratorium provisions contained in the Decrees prohibiting payments to enemy countries, except as regards claims by way of recourse arising out of the non-acceptance or non-payment of bills and cheques.

A decision of the Custodian could not be made the subject of an appeal to the Courts. The only means of contesting it was "through the administrative channel," i.e. by appeal to the Secretary of State for Imperial Economy.

The Custodian did not, generally speaking, collect debts due to enemy nationals or seize their bank balances, though entitled to do so, but merely took them under his administration and collected the interest upon them. He usually refrained from taking over the custody of securities except when it appeared that they could not safely be left in the possession of the holder. If they were lying in banks, he did not, as a rule, interfere with them, but merely required the interest collected by the bank to be credited to a separate account in his name. It was not his practice to assume actual possession of movable property, which, though formally taken under his administration, was allowed to remain in the custody of the holder.

It was the duty of the Custodian to permit the sale of all raw materials of which there was a national shortage, and of any goods which were likely to deteriorate, or the continued warehousing of which would have involved expenses disproportionate to their value. It was his duty to take over and utilize for the benefit of the State all articles needed for the purposes of the war. Gold and silver articles, except personal ornaments, were dealt with in this manner, and the metal placed at the disposal of the Reichsbank. Clothes and linen were similarly treated. Household effects and furniture, on the other hand, and likewise books and pictures,

<sup>1</sup> Böckel, p. 42.

<sup>2</sup> Idem, p. 43.



were not interfered with, but, though under the administration of the Custodian, remained in the custody of the persons with whom they had been left. The sale of articles which had been entrusted to art dealers for exhibition purposes was not permitted, and even if they had been so entrusted for sale on commission, they might not be disposed of without the Custodian's sanction, and might in no case be sold at a lower figure than that fixed by the owner.<sup>1</sup>

Property under the administration of the Custodian might not be taken in execution by a German creditor without the Custodian's consent. The grant or refusal of such consent was a matter entirely for his discretion, and he might attach such conditions thereto as he thought fit. He might, for instance, in the interests of other creditors, confine the applicant to the recovery of a dividend only upon the debt due.<sup>2</sup>

The sale of enemy-owned securities lying in banks in order to satisfy liens in respect of overdrafts was as a rule permitted by the Custodian.<sup>3</sup>

An excellent little work by Dr. Böckel entitled the *Treuhand für das Feindliche Vermögen* sets out the provisions and regulations affecting the payment of interest to the Custodian on debts due to enemy nationals. The practice in this respect may be summarized as follows :

1. In the case of debts which were subject to the moratorium provisions contained in the Prohibitions against Payments to Enemies (i.e. debts which had fallen due on or after the 31st July, 1914, and in respect of which no interest had hitherto been payable), the Custodian was entitled to demand interest as from the 1st April, 1917. A large number of debtors had, in reliance upon the immunity from interest afforded by Article 2 of the Decree prohibiting Payments to England of 30th September, 1914, refrained from availing themselves of the right of discharging their liabilities by payment to the Reichsbank, which was given them by Article 3 of that Decree. In so doing they had acted on the faith of an exemption expressly conferred by the legislature, and it was doubtless this consideration which deterred the Government from making the Custodian's rights as regards interest retrospective.

2. In the case of debts which had not yet fallen due, but upon which, under the terms of the contract, interest was payable before the falling due of the principal (e.g. mortgages and loans), the interest which became due on or after the 1st

<sup>1</sup> Böckel, p. 47.

<sup>2</sup> Schlegelberger, vol. viii, p. 421.

<sup>3</sup> Idem, vol. viii, p. 423.

April, 1917, was likewise payable to the Custodian, but the interest which had fallen due prior to that date was merely taken under his administration, being treated as principal which had accrued in favour of the enemy creditor.

3. Interest upon debts which were themselves in the nature of interest could in no case be charged.

4. Interest was not chargeable in the case of claims founded upon bills and cheques (see Article 7, paragraph 5, of the Decree on p. 60).

5. In the absence of a previous agreement between the parties as to the rate at which interest was to be payable, the Custodian was entitled to collect it at the statutory rates, i.e. 4 per cent. in the case of ordinary debts arising under the Civil Law, as prescribed by Article 288 of the Civil Code, and 5 per cent. in the case of debts arising out of commercial contracts, as prescribed by Article 352 of the Commercial Code.

The Custodian did not invariably collect the interest to which he was entitled. If the debtor's outstanding assets in enemy countries exceeded the amount of his indebtedness to those countries, or if there was reason to suppose that the debt had already been satisfied out of assets of the debtor which had been liquidated under enemy war legislation, or if the collection of interest could not be effected without causing the debtor serious embarrassment, the Custodian usually refrained from enforcing his rights in this respect. In some cases he allowed the interest on securities to be transmitted to enemy subjects in neutral countries who had no other source of income. A debtor who desired to free himself from the liability to pay interest could do so by paying the debt to the Custodian—who for this purpose thenceforward took the place of the Reichsbank (see Article 3 of Decree of 30th September, 1914, on p. 22, and Article 3 of the Decree of 19th April, 1917, on p. 58).

In all cases in which, under previous Decrees, the Imperial Chancellor was empowered to grant licences, the Custodian took his place as the licensing Authority.

## REQUISITIONS

A word should be said in conclusion with regard to requisitions. Up to the 24th June, 1915, the only statute enabling the Government to requisition private property was the Law relating to War Contributions of 13th June, 1873, which only applied to certain specified services and articles



needed for military purposes in cases of emergency, e.g. quarters, food, transport, fuel, weapons, medicines and bandages. Finding themselves hampered by the narrow scope of this Law, the German Government issued on 24th June, 1915, a Decree authorizing the requisition of any article likely to be of use in the production and manufacture of the necessities of war, and providing for the assessment of the price to be paid therefor by a court of arbitration (RGBl 357).<sup>1</sup> This Decree was based on, and cited in its preamble, the general enabling Law of 4th August, 1914, authorizing the Federal Council to take economic measures, etc., which was the foundation-stone of all the German economic emergency legislation. The only specific reference therein to enemy property was in Article 2 (relating to assessment and payment), which contained the following provision :

“In so far as the property of enemy nationals is concerned, the Imperial Chancellor is authorized to make regulations varying from these provisions by way of retaliation.”

The only reference to enemy property in the subsequent amending legislation is that contained in Article 18 of the Order of the Imperial Chancellor, with regard to proceedings before the Imperial Court of Arbitration, of the 22nd July, 1915 (RGBl 469), which reads as follows :

“The President shall cause the amount fixed as the price to be paid for the requisitioned property to be transferred to the party entitled to receive it within three weeks after the decision of the Court has been given.

“In the case of German and neutral parties the transfer shall be effected by payment in accordance with the order of the President. The method of effecting the transfer to the nationals of enemy States remains to be determined.”

On 25th April, 1915, an Imperial Indemnity Commission, with its official seat in Berlin, was established by Order of the Imperial Chancellor (Reichsanz. No. 96) to deal with the compensation claims of persons whose property had been requisitioned in foreign territory occupied by Germany. Article 18 of the Order which established this Commission is

<sup>1</sup> Bekanntmachung über die Sicherstellung von Kriegsbedarf.

virtually identical in terms with Article 18 of the Order of 22nd July, 1915, cited above, and the Order contains no other reference to enemy property.

#### CONCLUSION

The war measures of Germany with respect to enemy property may be regarded as having culminated in the Decree appointing the Custodian. Other measures than those mentioned will be found in the following pages, but it is hoped that the foregoing sketch of the more important enactments will be sufficient to afford a comprehensive survey of the policy pursued by Germany with regard to enemy property within her territory, and of the manner in which that policy was applied.

## CHAPTER II

### THE ENABLING LAW

#### LAW OF THE 4TH AUGUST, 1914, ENABLING THE FEDERAL COUNCIL TO TAKE ECONOMIC MEASURES, AND PROLONGING IN THE EVENT OF WAR THE TIME LIMITS IMPOSED BY THE LAW RELATING TO BILLS OF EXCHANGE AND CHEQUES

##### ARTICLE 1

IF by reason of the outbreak of war the performance at the proper time of any act which is necessary for exercising or preserving a right in respect of a bill of exchange or a right of recourse in respect of a cheque is prevented by *force majeure*, the time limits prescribed for the performance of such act shall be prolonged in so far as is necessary in order that it may be possible to perform the act after the obstacle has been removed, and in any case until the expiration of six week days from the date at which the obstacle is removed.

An act shall be deemed to have been prevented by *force majeure* :

1. If the place at which it must be performed is occupied by the enemy ; unless it can, notwithstanding this fact, be carried out by the exercise of ordinary care.

2. If the postal communications which have to be used for the purpose of performing it are to such an extent interrupted that a regular postal service no longer exists.

##### ARTICLE 2

Without prejudice to the provisions contained in Article 1, the time limits therein specified may in the event of war, with the consent of the Federal Council, be prolonged for a definite period, either for the whole Empire or for a part thereof, by Imperial Edict.

This provision shall apply to the Protectorates provided that in the case of these the consent of the Federal Council shall not be necessary.

## ARTICLE 3

The Federal Council is hereby authorized to adopt during the war such economic measures as may be necessary in order to avert economic damage.

Such measures shall be brought to the knowledge of the Federal Council at its next sitting, and, if it so requires, shall be revoked.

## ARTICLE 4

This Law shall come into force upon publication. The date at which this Law shall cease to be in force shall be determined by Imperial Edict with the consent of the Federal Council.

DECREE OF THE 4TH JUNE, 1915, RELATING TO THE  
ADMISSIBILITY OF PENAL ORDERS IN THE CASE  
OF BREACHES OF THE REGULATIONS ISSUED IN  
CONNEXION WITH ECONOMIC MEASURES

The Federal Council has, by virtue of Article 3 of the law of the 4th August, 1914, enabling the Federal Council to take Economic Measures, etc., issued the following Decree<sup>1</sup>:

## ARTICLE 1

In the case of contraventions of the Regulations which have been or may be issued by virtue of Article 3 of the law of 4th August, 1914, enabling the Federal Council to take Economic Measures, etc., where such contraventions are at present subject to no severer penalty than imprisonment for one year, either alone or in conjunction with fine and confiscation, the penalty therefor may be fixed by a Penal Order of the District Judge.

Cases in which an application is made for the issue of a Penal Order shall be treated as within the competence of the Sheriffs' Courts. Articles 447 to 452 of the Code of Penal Procedure shall apply; provided that the application for the issue of a Penal Order must be made by the Attorney-General.

## ARTICLE 2

This Decree shall come into force upon the date of its publication.

<sup>1</sup> These words form the preamble to every Measure of Retaliation contained in the following pages, and will for the sake of brevity be in future omitted.

## CHAPTER III

### TRADING WITH THE ENEMY

#### *PAYMENTS TO ENEMY COUNTRIES*

#### DECREE PROHIBITING PAYMENTS TO ENGLAND OF 30TH SEPTEMBER, 1914

##### ARTICLE 1

It shall henceforward be unlawful to make any payments either directly or indirectly to Great Britain and Ireland, or to the British Colonies and foreign possessions, whether in cash or by means of bills or cheques or by transfer or in any other manner whatsoever, or to remove or transfer money or securities directly or indirectly to the aforementioned countries.

Payments for the maintenance of German nationals shall still be permitted.

##### ARTICLE 2

Claims founded on the law of property in favour of natural or juridical persons having their domicile or place of business in the countries specified in Article 1 which have already arisen or may arise, shall, as from the 31st July, 1914, or, if they do not fall due for settlement until a later date, as from the date on which settlement is due, be treated until further notice as postponed. For the period during which this moratorium remains in force interest may not be claimed. Any legal consequences which by virtue of existing rules may have ensued during the period between the 31st July, 1914, and the coming into force of this Decree, in consequence of non-payment, shall be treated as not having arisen.

This moratorium shall also apply as against every assignee of the claim unless the assignment took place before the 31st July, 1914, or, if the assignee has his domicile or place of business in Germany, unless the assignment took place before the coming into force of this Decree. A person who by settling the claim has acquired a right to reimbursement shall stand upon the same footing as an assignee of the claim.



## ARTICLE 3

The debtor may free himself of his liability by depositing the amounts or securities due with the Reichsbank for account of the person entitled thereto.

## ARTICLE 4

If, in the case of bills of exchange, the period within which they must be presented for payment or protested on account of non-payment has not yet expired upon the date of the coming into force of this Decree, and they have not been protested, the time at which presentation for payment or protest on account of non-payment is admissible and requisite shall, by virtue of the prohibition and the moratorium, be postponed until this Decree shall cease to be in force. The period within which presentation and protest must take place after the revocation of this Decree shall be determined by the Imperial Chancellor.

The provisions of paragraph 1 shall apply *mutatis mutandis* to cheques in cases where the period within which they have to be presented for payment has not expired at the time when this Decree comes into force.

No obligation to impose a further stamp under Article 3, paragraph 2, of the Law relating to the Stamping of Bills of Exchange shall arise by reason of the prohibition and the moratorium.

## ARTICLE 5

The provisions of Articles 1 to 4 shall not apply to the settlement in Germany of claims which have arisen in favour of the natural or juridical persons specified in Article 2 in the course of carrying on establishments maintained by them in Germany. The provisions of Articles 2 and 3 shall, however, apply in the case of claims by such persons brought by way of recourse, on account of the non-acceptance or non-payment of a bill of exchange payable abroad.

## ARTICLE 6

Any person who—

1. Knowingly contravenes the provisions contained in Article 1; or,
2. Knowingly exports goods directly or indirectly to the countries specified in Article 1 in contravention of a German export prohibition; or,
3. Knowingly transmits or transfers either directly or indirectly goods which in Germany are subject to an export prohibition from another country to the countries specified in Article 1;

shall be liable to imprisonment for a period not exceeding three years and to a fine not exceeding 50,000 marks, or to one or other

of these penalties, in so far as he is not liable to a severer penalty under other Penal Laws.

The attempt is punishable.

#### ARTICLE 7

The Imperial Chancellor may permit exceptions to the prohibitions contained in Article 1 and in Article 6, paragraph 1, No. 3.

He may by way of retaliation declare the provisions of this Decree applicable also to other enemy States.

#### ARTICLE 8

This Decree shall come into force upon the date of its publication, but Article 6 shall not come into force until the 5th October, 1914.

The Imperial Chancellor shall determine when and to what extent this Decree shall cease to be in force.

### PROCLAMATION OF THE IMPERIAL CHANCELLOR OF THE 20TH DECEMBER, 1914, RELATING TO THE PROHIBITION OF PAYMENTS TO ENGLAND, FRANCE, AND RUSSIA

By virtue of Article 7, paragraph 1, of the Decree of the 30th September, 1914, prohibiting payments to England, and of Article 1 of the Proclamation of 20th October, 1914, prohibiting payments to France, and of Article 1 of the Proclamation of 19th November, 1914, prohibiting payments to Russia, it is ordered as follows :

The prohibitions issued against payments to England, France, and Russia [see Article 1 of the Decree of the 30th September, 1914 (Reichs-Gesetzblatt, 421), and in connexion therewith Article 1 of the Proclamation of the 20th October, 1914 (Reichs-Gesetzblatt, 443), and Article 1 of the Proclamation of 19th November, 1914 (Reichs-Gesetzblatt, 479)] shall not apply to payments arising out of debts due to an undertaking situate in an enemy country, in so far as payment is made to a German national who is an owner of or partner in the undertaking, and who has left the enemy country by reason of the war.

### DECREE OF THE 22ND DECEMBER, 1914, RELATING TO CLAIMS WHICH HAVE ARISEN IN FAVOUR OF A FOREIGN BANK IN THE COURSE OF CARRYING ON THE BUSINESS OF A BRANCH ESTABLISHMENT IN GERMANY

The Federal Council has by virtue of Article 3 of the Law enabling the Federal Council to take economic measures, etc., of the 4th August, 1914, issued the following Decree supplementing the

provisions of Article 5 of the Decree of 30th September, 1914, prohibiting payments to England :

#### ARTICLE 1

In applying Articles 2 to 4 of the Decree of 30th September, 1914, claims by a bank to acceptance or payment of bills of exchange which have been issued in foreign countries, or to reimbursement in respect of payments on bills of exchange which have been or are to be effected abroad, shall not be treated as having arisen in the course of carrying on the business of a branch establishment of the bank in Germany, merely because the branch has granted or negotiated the credit on which the claims are founded, or because the bill is drawn in favour of the German branch of the bank, or because such branch has presented the bill for acceptance, even though when doing so it has handed over the shipping documents in respect of the goods which constitute the consideration therefor.

#### ARTICLE 2

This Decree shall come into force upon the date of its publication.

Wherever in the Decree of the 30th September, 1914, or in the Proclamations extending the application of that Decree to France and Russia of 20th October and 19th November, 1914, respectively, reference is made to the date of the coming into force thereof, the date of the coming into force of the present Decree shall, as regards the application of the provisions of Article 1, be substituted therefor.

### PROCLAMATION OF THE IMPERIAL CHANCELLOR PROHIBITING PAYMENTS TO EGYPT AND FRENCH MOROCCO OF 14TH OCTOBER, 1915

By virtue of Article 7, paragraph 2, of the Decree prohibiting payments to England of the 30th September, 1914, it is ordered as follows :

#### ARTICLE 1

The provisions of the Decree of the 30th September, 1914, are by way of retaliation declared also applicable to British-occupied territory in Egypt, and likewise to those portions of Morocco which are under the Protectorate of France.

The application thereof shall be subject to the following limitations :

1. In determining the question whether the moratorium shall be operative or not as against the assignee (see Article 2, paragraph 2 of the principal Decree), regard shall be had, not to the domicile or place of business of the assignee,

but only to whether the assignment took place after or before the coming into force of this Proclamation.

2. Wherever in the Decree of the 30th September, 1914, reference is made to the date of the coming into force of that Decree, the date of the coming into force of this Proclamation shall be substituted therefor.

## ARTICLE 2

This Proclamation shall come into force upon the date of its publication, but in so far as regards the penal provision contained in Article 6 of the Decree of 30th September, 1914, it shall not come into force until the 20th October, 1915.

## PROCLAMATION OF THE IMPERIAL CHANCELLOR OF 20TH OCTOBER, 1915, RELATING TO THE PAYMENT OF RENT TO ENEMY COUNTRIES

By virtue of Article 7 of the Decree of 30th September, 1914, and the Proclamations issued thereunder of 20th October and 19th November, 1914, the payment of rent which has fallen due, including rates in connexion therewith, to enemy countries is hereby authorized, in so far as sufficient funds to cover the same in the form of cash, bank credits, or other liquid assets have not been left in the enemy country in question.

## DECREE OF 17TH JANUARY, 1917, RELATING TO THE MORATORIUM PROVISIONS CONTAINED IN THE DECREES PROHIBITING PAYMENTS TO ENEMY COUNTRIES

## ARTICLE 1

Notwithstanding the moratorium provisions contained in Article 2 of the Decree prohibiting Payments to England of 30th September, 1914, and notwithstanding the Proclamations which declare that the said Article 2 shall be applicable to other States, the settlement of a claim founded upon the law of property may be demanded, if the claim is in favour of a German national who is resident within the territory of Germany or of her Allies, or within the territories occupied by the forces of Germany or of her Allies. The same shall apply to the claim of an association, company, or partnership,<sup>1</sup> all the members of or partners in which are Germans if it is preferred by a member or partner who is entitled to recover and who is resident within the aforementioned territories. The moratorium shall terminate upon the expiration of a month from the time at which payment is demanded.

These provisions shall not apply to claims which a German national or an association, company, or partnership of the kind

<sup>1</sup> Wherever the word "Gesellschaft" stands alone it has been rendered as "company or partnership" since, as used in German, it includes both.



specified in paragraph 1 of this Article has acquired from a third party at a date subsequent to the declaration of war between the German Empire and the enemy country affected by the prohibition.

#### ARTICLE 2

If, in the case of a bill of exchange the protesting of which has been postponed by the moratorium created by Article 4 of the Decree of the 30th September, 1914, the moratorium is terminated by virtue of Article 1 hereof, protest and recourse in respect of such bill shall nevertheless continue to be inadmissible. This provision shall apply *mutatis mutandis* to cheques.

#### ARTICLE 3

The Imperial Chancellor may authorize an exception to the moratorium provisions contained in Article 2 of the Decree prohibiting Payments to England or in the Proclamations extending the application of that Decree :

1. If, in cases other than those referred to in Article 1, the claim is in favour of a German national or of an association, company, or partnership, of which at least one member or partner is a German national, and if the German national entitled to receive payment or the German member or partner entitled to recover payment who prefers the claim is resident outside the territory of the enemy State in question ;
2. If the claim is in favour of a national of an Allied State or of an association, company, or partnership, of which at least one member or partner is the national of an Allied State, and if the person, who prefers the claim, being a national of an Allied State and entitled to payment, or the member or partner who prefers the claim, being a national of an Allied State and entitled to recover payment, resides outside the territory of the enemy State in question ;
3. If the claim is by a natural or juridical person whose domicile or place of business is in territory occupied by the forces of Germany or of her Allies.

The moratorium shall terminate on the expiration of a month from the time at which payment is demanded from the debtor ; if the authorization is not published in the *Imperial Law Gazette*, the terms thereof must be communicated to the debtor when payment is demanded.

The provisions of Article 1, paragraph 2, and of Article 2 shall apply *mutatis mutandis*.

#### ARTICLE 4

This Decree shall come into force upon the date of its publication (18th January, 1917). The Imperial Chancellor shall determine when and to what extent it shall cease to be in force.



## CONTRACTS

DECREE RELATING TO CONTRACTS WITH ENEMY  
NATIONALS OF THE 16TH DECEMBER, 1916*I. Dissolution of Contracts with Enemy Nationals as a Measure  
of Retaliation*

## ARTICLE 1

The Imperial Chancellor may, by way of retaliation, in the case of contracts of purchase or delivery concluded by a German national with a national of Great Britain and Ireland, Italy or France, or of the Colonies or Foreign Possessions of those states, on application by the German party, declare the contract to be dissolved.

Such declaration may be limited to a part of the contract.

In so far as the vendor at the time the application is made has already fulfilled his obligations in respect of the delivery of the articles sold, the declaration shall be without effect. If the purchaser has already paid the purchase price he may, in so far as the contract is dissolved, demand the return thereof.

The provisions of paragraphs 1 to 3 of this Article shall apply *mutatis mutandis* to contracts for work, to contracts of affreightment relating to the carriage of goods by sea, and to charter parties. They shall not apply to dealings in options on the Stock Exchange.

## ARTICLE 2

The Imperial Chancellor may delegate his power of decision either by a general order or by a special order in any particular case to another Authority, and may make detailed regulations with regard to the procedure to be followed.

*II. Disputes at Law with Respect to Contracts with Enemy Nationals*

## ARTICLE 3

If a German national has concluded a contract with the national of an enemy State, the Court within whose jurisdiction such German national has his domicile for purposes of general jurisdiction, or, in cases where he has no domicile for purposes of general jurisdiction, the Court within whose jurisdiction he is permanently resident shall be competent to determine any disputes which may arise as to the effect of the war upon the rights and obligations arising out of the contract.

## ARTICLE 4

As regards the service of the writ upon the enemy national in disputes of the kind referred to in Article 3, if the conditions exist which render service by public advertisement admissible, and if the plaintiff offers to post in a neutral country a com-

munication indicating the substance of the writ, the Court before which, and the date upon which, the action is to be heard, under registered cover addressed to the defendant or to forward the same to the defendant in some other effective manner, the Court may, when consenting to service by public advertisement, order that the insertion prescribed in Article 204, paragraph 2, of the code of Civil Procedure shall take place once only and in the *Imperial Gazette*. The same shall apply in other cases in which a document which is to be delivered to an enemy national contains a summons.

The plaintiff must prove that he has posted the communication in time and in the manner specified in paragraph 1, or that the communication has reached the defendant; the Court may otherwise adjourn the action and order that the defendant shall be served with a fresh summons.

### *III. Final Provisions*

#### ARTICLE 5

Juridical persons or mercantile associations of other kinds which have their place of business in Germany or in the Protectorates shall be treated as German nationals within the meaning of the foregoing provisions.

The following shall be treated as nationals of an enemy State within the meaning of the foregoing provisions :

1. Natural persons whose domicile or principal business establishment is in an enemy State.

2. Juridical persons and mercantile associations of other kinds which have their place of business in an enemy State.

3. Mercantile associations of other kinds<sup>1</sup> which have their place of business in non-enemy countries abroad, if the majority of those interested therein are enemy nationals or, as regards the application of Article 1, nationals of the enemy States therein specified.

#### ARTICLE 6

The provisions of Articles 1 and 2 may by Proclamation of the Imperial Chancellor be declared applicable to enemy countries other than those specified in Article 1.

#### ARTICLE 7

This Decree shall come into force upon the date of its publication (18th December, 1912).

The Imperial Chancellor shall determine when and to what extent it shall cease to be in force.

<sup>1</sup> I.e. those having no juridical personality.

PROCLAMATION OF 17<sup>TH</sup> DECEMBER, 1916, WITH  
RESPECT TO THE CARRYING OUT OF THE DECREE  
RELATING TO CONTRACTS WITH ENEMY NATIONALS  
OF THE 16<sup>TH</sup> DECEMBER, 1916

By virtue of Article 2 of the Decree of the Federal Council relating to Contracts with Enemy Nationals of 16th December, 1916, it is hereby ordered as follows :

ARTICLE 1

The decision with regard to the dissolution of contracts with enemy nationals for purposes of retaliation shall, without prejudice to the powers of the Imperial Chancellor to issue general orders, be delegated to the Imperial Court of Arbitration for War Economy.<sup>1</sup> The decision shall be given by the President or on his behalf by a member of the Court who is qualified to act as a judge.

ARTICLE 2

The application for dissolution must be lodged in writing with the Imperial Court of Arbitration for War Economy.

ARTICLE 3

The nature of the contract must be set out in the application.

The application must show whether the declaration of dissolution is applied for in respect of the whole contract or only in respect of a part thereof.

The application must contain in particular the following details :

1. Description of the parties to the contract, giving names, status or trade, domicile and nationality.

2. The time at which the contract was concluded.

3. The nature and extent of the obligations to which the contract relates and the amount of the consideration.

4. The time at which the contract is to be executed or should have been executed if duly carried out.

5. The stipulations whereby, in the case of *force majeure* war, etc., the time of execution is postponed or other provision is made; if no such stipulations are contained in the contract, this fact should be expressly stated.

The application must also state :

6. In how far the contract has already been performed by one or other party or by both parties.

7. In how far and upon what grounds the contract may be regarded as still in existence or cancelled under the ordinary rules of law, or the grounds upon which doubts in this respect exist.

8. The grounds which are relied upon in support of the application.

<sup>1</sup> Reichsschiedsgericht für Kriegswirtschaft.

## ARTICLE 4

If one of the parties to the contract is a juridical person, not only the place of business of the latter shall be stated, but in so far as possible the State to which the partners or shareholders principally belong. If one of the parties to the contract is a mercantile association without juridical personality, the name, domicile, and nationality of the members shall be stated.

## ARTICLE 5

The applicant must append all documents available to him which relate to the contract or otherwise serve to explain the circumstances.

## ARTICLE 6

The Imperial Court of Arbitration may before coming to a decision institute further inquiries.

The decision shall be communicated to the applicant.

## ARTICLE 7

A fee shall be charged for the decision which shall be payable to the Imperial Treasury.

The amount of the fee shall be fixed by the Imperial Court of Arbitration. The fee shall as a rule amount to not less than 50 marks and to not more than 1,000 marks. The payment of a fee may on special grounds be dispensed with.

The Imperial Court of Arbitration may make the pronouncement of its decision conditional upon payment of the fee in advance.

The recovery of the fee may, at the request of the Imperial Court of Arbitration, be effected in accordance with the rules of local law with respect to the recovery of public taxes.

*DEALINGS IN SECURITIES*

## PROCLAMATION OF THE 19TH NOVEMBER, 1914, PROHIBITING DEALINGS IN SECURITIES STAMPED IN ENGLAND

## ARTICLE 1

Contracts for the purchase of bonds of the Empire or of a Federal State which bear an English stamp are prohibited. The same shall apply to the negotiation of such contracts.

Bonds the repayment of which or the interest upon which is guaranteed by the Empire or by a Federal State shall for this purpose be treated as bonds of the Empire or of a Federal State.

## ARTICLE 2

Any person who undertakes to sell or purchase securities or to negotiate contracts of purchase relating thereto, or who offers or



invites another to buy or sell them, when he knows, or from the circumstances has reason to suppose, that they fall within the categories specified in Article 1, shall be liable to imprisonment for a period not exceeding one year, and in addition to a fine not exceeding 5,000 marks. If extenuating circumstances exist a fine only may be imposed.

Any person who, in executing a contract of purchase, or in the course of carrying out a commission, supplies or accepts securities when he knows, or from the circumstances has reason to suppose, that they fall within the categories specified in Article 1, shall be liable to similar penalties.

### ARTICLE 3

This Decree shall not apply to bonds of the kind specified in Article 1 which have been continuously in Germany since the 31st July, 1914.

The Imperial Chancellor may declare the provisions of this Decree applicable also to other securities.

### ARTICLE 4

This Decree shall come into force upon the date of its publication, but Article 2 shall not come into force until the 25th November, 1914. The Imperial Chancellor shall determine the date at which it shall cease to be in force.

## DECREE OF 4TH NOVEMBER, 1915, SUPPLEMENTING THE DECREE PROHIBITING DEALINGS IN SECURITIES STAMPED IN ENGLAND

### ARTICLE 1

To Article 3 of the Decree prohibiting Dealings in Securities Stamped in England of the 19th November, 1914, the following third paragraph shall be added :

The Imperial Chancellor may authorize exceptions to the provisions of this Decree.

### ARTICLE 2

This Decree shall come into force upon the date of its publication.



## CHAPTER IV

### SUPERVISION, COMPULSORY ADMINISTRATION, AND LIQUIDATION OF ENEMY PROPERTY IN GERMANY

#### 1. SUPERVISION

#### DECREE RELATING TO THE SUPERVISION OF FOREIGN UNDERTAKINGS OF THE 4TH SEPTEMBER, 1914

##### ARTICLE 1

WITH the consent of the Imperial Chancellor, the Central State Authorities<sup>1</sup> may, by way of retaliation, in the case of undertakings or branches of undertakings situate within their administrative area which are either directed or controlled from enemy countries or the profits of which are payable wholly or in part to enemy countries, appoint Supervisors at the cost of the undertakings concerned, whose duty it shall be, while conserving the property and other private rights of the undertaking, to ensure that during the war the business thereof is not conducted in a manner which conflicts with German interests.

The provisions of this Decree shall apply to insurance undertakings, but, in the case of these, supervision shall be instituted by order of the Imperial Chancellor through the Department for the Supervision of Private Insurance.<sup>2</sup>

##### ARTICLE 2

The Supervisors are in particular authorized—

1. To prohibit business measures of every kind, more especially the disposal of property and communications with regard to business matters.

2. To inspect the books and documents of the undertaking, the state of its finances, and its assets in securities and goods.

3. To demand information with regard to all business matters.

##### ARTICLE 3

The directors and employees of the undertakings shall comply with all measures taken and instructions given by the Supervisors for the purpose of carrying out the supervision of the undertaking.

<sup>1</sup> *Landeszentralbehörden.*

<sup>2</sup> *Aufsichtsamt für Privatversicherung.*

## ARTICLE 4

Moneys or other property of a supervised undertaking shall not be credited or transferred, either directly or indirectly, to an enemy country.

The Supervisors may permit exceptions to this rule. They may in suitable cases order that money or securities, the crediting or transfer of which is prohibited by paragraph 1, shall be deposited with the Reichsbank for account of the person entitled thereto.

## ARTICLE 5

Whosoever, being a director or employee of an undertaking, wilfully contravenes the provisions of Articles 3 or 4 shall be liable to a penalty not exceeding 50,000 marks and to imprisonment for a period not exceeding three years, or to one or other of these penalties in so far as he is not liable to a severer penalty under other Penal Laws. The attempt is punishable.

## ARTICLE 6

This Decree shall come into force upon the date of its publication.

DECREE RELATING TO THE SUPERVISION OF FOREIGN  
UNDERTAKINGS OF THE 22ND OCTOBER, 1914

## ARTICLE 1

In the Decree relating to the Supervision of Foreign Undertakings of 4th September, 1914, the following Article 5*a* shall be inserted after Article 5 :

If no director or employee of a supervised undertaking or branch undertaking is present in Germany who is authorized to perform juristic acts on behalf of the undertaking or branch, or if such director or employee fails to attend to the business of the undertaking, a Representative may be appointed upon the application of the Supervisor. Such appointment shall be effected through the District Court within whose jurisdiction the undertaking or branch is situate. With regard to the selection of the Representative, the Supervisor shall be heard.

It shall be the duty of the Representative to wind up wholly or partially the current transactions of the undertaking or branch; for the purpose of winding up pending transactions he may also enter into new transactions. He shall comply with the measures and instructions of the Supervisor.

The Representative shall have a right to reimbursement in respect of cash expenses and to a suitable remuneration

for his work. The amount shall be fixed by the District Court after it has heard the Supervisor, and shall be recovered by the Representative from the undertaking or branch.

During the period of representation the power of the directors and employees to perform juristic acts on behalf of the undertaking or branch shall remain in abeyance.

The District Court shall revoke the representation upon the application of the Supervisor.

If the undertaking or branch has been entered in the Commercial Register or in the Register of Associations, the appointment of the Representative and likewise the revocation of such appointment shall be officially entered in the Register.

Court fees shall not be charged.

## ARTICLE 2

This Decree shall come into force upon the date of its publication.

## 2. *COMPULSORY ADMINISTRATION*

### DECREE RELATING TO THE COMPULSORY ADMINISTRATION OF FRENCH UNDERTAKINGS OF THE 26TH NOVEMBER, 1914

## ARTICLE 1

The Central State Authorities may, with the consent of the Imperial Chancellor, by way of retaliation, place under compulsory administration undertakings whose capital or the greater part of whose capital is held by French nationals. The application of this provision shall not be excluded by the fact that nationals of other States are put forward as covers for the purpose of concealing the interest of French nationals.

## ARTICLE 2

The Administrator shall place himself in possession of the undertaking. He is authorized to perform all juristic acts on behalf of the undertaking. He may continue the undertaking either wholly or in part, or may confine himself to the winding up of current transactions.

As soon as such transactions have been wound up, the Administrator may, in the case of a company or partnership which has its place of business in Germany, upon the application of a German member or partner, and subject to the consent of the Central State Authorities, dissolve the company or partnership.

During the period of administration the powers of the owners of the undertaking, and likewise the powers of other persons, to

perform juristic acts on behalf of the undertaking shall remain in abeyance. The same shall apply to the powers of all organs of the undertaking.

If the undertaking has been entered in the Commercial Register, the appointment of the Administrator and likewise the revocation of the administration shall be officially entered free of charge.

### ARTICLE 3

The Imperial Chancellor may, by way of retaliation, authorize the dissolution of the undertakings specified in Article 1, or in the case of companies or partnerships which have their place of business in Germany, the dissolution of the company or partnership.

### ARTICLE 4

The Central State Authority may determine in what manner the measures specified in Articles 1 to 3 shall be carried out.

### ARTICLE 5

The costs of the measures specified in Articles 1 to 4 shall be borne by the undertaking.

Any surplus moneys which may accrue in favour of those interested in an undertaking shall, in so far as nationals of enemy countries are concerned, be deposited for account of the latter with the Reichsbank. The Central State Authority may, if the enemy national is resident in Germany, permit the payment out to him of such amounts as may be necessary for his maintenance.

### ARTICLE 6

Any person who wilfully withholds articles of property either wholly or in part from an administration instituted under Articles 1 to 3 shall be liable to imprisonment for a period not exceeding one year.

### ARTICLE 7

The branch of an undertaking and likewise a piece of land shall be treated as undertakings within the meaning of this Decree.

### ARTICLE 8

The provisions of this Decree shall apply to insurance undertakings which are subject to the control of the Department for the Supervision of Private Insurance, but in such cases the measures specified in Articles 1 to 4 shall be instituted by order of the Imperial Chancellor through the Department for the Supervision of Private Insurance.

## ARTICLE 9

The Imperial Chancellor may, by way of retaliation, declare the provisions of this Decree applicable to the nationals of other enemy States.

## ARTICLE 10

This Decree shall come into force upon the date of its publication.

PROCLAMATION OF THE IMPERIAL CHANCELLOR RELATING TO THE COMPULSORY ADMINISTRATION OF BRITISH UNDERTAKINGS OF THE 22ND DECEMBER, 1914

By virtue of Article 9 of the Decree of 26th November, 1914, relating to the Compulsory Administration of French Undertakings, it is ordered as follows :

## ARTICLE 1

The provisions of the Decree of 26th November, 1914, are, by way of retaliation, declared also applicable to undertakings the capital of which belongs wholly or principally to British nationals.

## ARTICLE 2

This Decree shall come into force upon the date of its publication.

DECREE OF THE 5TH JANUARY, 1915, RELATING TO CHANGES IN THE SHARE INTERESTS IN AN UNDERTAKING

## ARTICLE 1

Changes in the share interests in an undertaking which have taken place since the 26th November, 1914, shall not render inapplicable the measures embodied in the Decree of 26th November, 1914, relating to the Compulsory Administration of French Undertakings and in the Proclamations issued by the Imperial Chancellor thereunder.<sup>1</sup>

## ARTICLE 2

Any person who after the 26th November, 1914, and before the coming into force of this Decree, has acquired shares in the undertaking which on the 26th November, 1914, were owned by an enemy national may withdraw from the contract if the under-

<sup>1</sup> The Chancellor's Proclamation of 22nd December, 1914 (see above), made the Decree of 26th November, 1914, applicable to British undertakings.



taking is placed under compulsory administration. Such withdrawal must be notified to the Administrator within a month from the time at which the person entitled to the shares becomes aware of the compulsory administration.

### ARTICLE 3

This Decree shall come into force upon the date of its publication.

## DECREE OF THE 26TH MARCH, 1915, RELATING TO THE SETTLEMENT OF CLAIMS IN THE CASE OF LAND SUBJECTED TO COMPULSORY ADMINISTRATION

### ARTICLE 1

If a piece of land has been placed under compulsory administration by virtue of the Decree of the 26th November, 1914, relating to the Compulsory Administration of French Undertakings, or by virtue of a Proclamation issued by the Imperial Chancellor under that Decree,<sup>1</sup> such piece of land shall, as regards the settlement of claims, in particular of claims for agricultural or other rent, irrespective of the time at which such claims arose and of the manner in which the land is used or cultivated, be treated as an establishment maintained in Germany, within the meaning of Article 5, sentence 1, of the Decree prohibiting Payments of the 30th September, 1914 (see p. 22).<sup>2</sup>

### ARTICLE 2

This Decree shall come into force upon the date of its publication.<sup>2</sup>

## DECREE OF THE 10TH FEBRUARY, 1916, SUPPLEMENTING THE PROVISIONS RELATING TO THE COMPULSORY ADMINISTRATION OF FOREIGN UNDERTAKINGS

### ARTICLE 1

Article 7 of the Decree relating to the Compulsory Administration of French Undertakings of the 26th November, 1914 (see p. 34),<sup>1</sup> shall be in so far extended that not only the branch of an undertaking and land but also property belonging to an

<sup>1</sup> The Chancellor's Proclamation of 22nd December, 1914 (see p. 36), made the Decree referred to applicable to British undertakings.

<sup>2</sup> The object of this Decree was to make it clear that a Compulsory Administrator of land was entitled to collect rents, and that the tenant could not in such a case plead the moratorium.

undertaking and the estates of deceased persons, shall be treated as undertakings within the meaning of the Decree.

With the consent of the Imperial Chancellor, other property also, belonging to French nationals or to nationals of other countries who, by virtue of Article 9 of the Decree, have been placed on the same footing, may, on special grounds, by way of retaliation, be placed under compulsory administration.

#### ARTICLE 2

This Decree shall come into force upon the date of its publication.

### 3. LIQUIDATION

#### DECREE OF 31ST JULY, 1916, RELATING TO THE LIQUIDATION OF BRITISH UNDERTAKINGS

##### ARTICLE 1

The Imperial Chancellor may order the liquidation of undertakings whose capital or the greater part of whose capital is held by British nationals, or which are directed or controlled from British territory or were so directed or controlled at the outbreak of war, and likewise the liquidation of the British interest in an undertaking. Branches of an undertaking, estates of deceased persons and land shall be treated as undertakings within the meaning of this Decree.

The decision of the Imperial Chancellor that the conditions exist which justify liquidation shall be final.

##### ARTICLE 2

The liquidation shall be carried out by a Liquidator appointed by the Central State Authority in accordance with general and special instructions issued by that Authority in concert with the Imperial Chancellor.

##### ARTICLE 3

The person appointed Liquidator of an undertaking shall place himself in possession of the undertaking. He is authorized to perform juristic acts on behalf of the undertaking. He may sell the undertaking as a whole.

The powers of the owner of the undertaking, and likewise the powers of other persons, to perform juristic acts on behalf of the undertaking shall remain in abeyance. The same shall apply to the powers of all organs of the undertaking.

If the undertaking has been entered in the Commercial Register, the Liquidator must notify the institution of the liquidation and likewise its closure, in order that the same may be entered in the Commercial Register.

If a person is appointed Liquidator of the British interest in an undertaking, he shall exercise all rights of the British holder; he is in particular authorized to sell the interest to the undertaking or to third parties. In the case of an interest in an unlimited partnership, a partnership *en commandite*, or a private limited company, the Liquidator may give notice to the company or partnership without being bound to observe any time limit.

If the title to the interest is embodied in a document, the Imperial Chancellor may order that in place of such document, which shall be declared void by the Liquidator, a new document of title shall be issued by the undertaking.

#### ARTICLE 4

The Liquidator may, notwithstanding the provision contained in Article 2 of the Decree of the 30th September, 1914, relating to the prohibition of payments to England, demand the settlement of claims founded on the law of property; the moratorium shall terminate upon the expiration of a month from the time at which payment is demanded.

If in the case of a bill of exchange, the protesting of which has been postponed by the moratorium established by Article 4 of the Decree of the 30th September, 1914, the moratorium is terminated by virtue of the provision contained in paragraph 1 of this Article. protest and recourse in respect of such bill shall nevertheless continue to be inadmissible. This provision shall apply *mutatis mutandis* to cheques.

#### ARTICLE 5

The limitations upon disposal specified in Article 8 of the Decree of the 7th October, 1915 (see p. 48), relating to the notification of the property in Germany of enemy nationals, shall not apply to property subjected to liquidation.

Executions, arrests, provisional dispositions, and bankruptcy petitions may not take place without the consent of the Central State Authority. In so far as executions, arrests, or provisional dispositions have taken place after the coming into force of the Decree of the 7th October, 1915, the Liquidator may with the consent of the Central State Authority demand the cancellation thereof.

#### ARTICLE 6

If an undertaking or an interest in an undertaking is subjected to liquidation, the directors and employees are bound to furnish the Liquidator, at his request, with information with respect to the business affairs of the undertaking, and in particular with respect to the enemy nationals interested therein. This shall apply even in cases where their employment in the undertaking did not continue after the 30th July, 1914.

Any person who wilfully withholds information or knowingly

makes false statements shall be liable to a fine not exceeding fifteen hundred marks, or to imprisonment for a period not exceeding three months.

#### ARTICLE 7

The costs of the liquidation shall be met out of the proceeds of liquidation. The proceeds shall, in so far as they accrue for the benefit of British nationals, be deposited. The Central State Authority may, in the case of British parties resident in Germany, permit the payment out to the latter of such amounts as may be necessary for their maintenance.

#### ARTICLE 8

Any person who wilfully withholds property either wholly or in part from a Liquidator appointed under this Decree shall be liable to imprisonment for a period not exceeding one year.

#### ARTICLE 9

The provisions of this Decree shall apply to insurance undertakings subject to the control of the Department for the Supervision of Private Insurance, but in such cases the liquidation shall be carried out in accordance with instructions issued by the Imperial Chancellor.

#### ARTICLE 10

Claims to compensation by the owner of the undertaking or by a person interested in the undertaking, by reason of the acts or omissions of the Liquidator in the execution of or arising out of the execution of his duties, may not be brought without the consent of the Central State Authority. Such consent shall be granted in cases where there has been a culpable breach of duty. If such consent is refused, there shall be no right of appeal.

#### ARTICLE 11

The Imperial Chancellor may delegate the powers conferred upon him by this Decree either wholly or in part to an Imperial Commissioner.

#### ARTICLE 12

Great Britain and Ireland and the British Colonies and Foreign Possessions, with the exception of Canada and of the South African Union, shall be treated as British territory within the meaning of this Decree; nationals of these countries and likewise juridical persons having a legal entity under British law shall be treated as British nationals.

The Imperial Chancellor may, by way of retaliation, declare that



the provisions of this Decree shall be applicable also to other enemy countries.

## ARTICLE 13

This Decree shall come into force upon the date of its publication.

PROCLAMATION OF THE IMPERIAL CHANCELLOR OF  
THE 24<sup>TH</sup> SEPTEMBER, 1916

By virtue of the Decree of the 31st July, 1916, relating to the liquidation of British undertakings; I have appointed ..... as Imperial Commissioner for the liquidation of British undertakings. The Imperial Commissioner shall be responsible to the Imperial Home Office. I have delegated to the Imperial Commissioner the powers conferred upon the Imperial Chancellor by Article 2 of the Decree. I reserve to myself the decision with regard to the institution of a liquidation.

The official premises of the Imperial Commissioner for the liquidation of British undertakings are situate at 2, Leipzigerstrasse, Berlin, W.9.

DECREE OF THE 18<sup>TH</sup> JANUARY, 1917, SUPPLEMENTING  
THE DECREE RELATING TO THE LIQUIDATION  
OF BRITISH UNDERTAKINGS OF THE 31<sup>ST</sup> JULY,  
1916

## ARTICLE 1

If a piece of land which has been subjected to liquidation by virtue of the Decree relating to the Liquidation of British Undertakings of the 31st July, 1916, is encumbered with a mortgage or land charge, the Imperial Chancellor may, if he is satisfied that the instrument creating the mortgage or charge is inaccessible, order that upon the sale of the land the mortgage or charge shall be wholly or partially extinguished. He may issue instructions as to the manner in which other security is to be procured for the creditor.

The presentation of the instrument creating the mortgage or charge shall not be necessary for the purposes of cancellation. The cancellation shall be effected by the Land Registry by virtue of the order of the Imperial Chancellor referred to in sentence 1 of paragraph 1 of this Article, and shall be published in the *Imperial Gazette*.

The Imperial Chancellor may delegate the powers conferred upon him by paragraph 1 of this Article to the Imperial Commissioner (see Article 11 of the Decree of the 31st July, 1916).

## ARTICLE 2

This Decree shall come into force upon the date of its publication (19th January, 1917).



DECREE OF THE 12<sup>TH</sup> JULY, 1917, SUPPLEMENTING  
THE DECREE RELATING TO THE LIQUIDATION OF  
BRITISH UNDERTAKINGS OF THE 31<sup>ST</sup> JULY, 1916

ARTICLE 1

To Article 3 of the Decree relating to the Liquidation of British Undertakings of the 31<sup>st</sup> July, 1916, the following sixth paragraph shall be added :

The Imperial Chancellor may free the Liquidator from restrictions affecting the sale of the property subjected to liquidation. He may empower the Liquidator when selling the property to regulate, by agreement with the purchaser, the liability of the purchaser for the obligations of the former owner, in a manner varying from the ordinary rules.

ARTICLE 2

This Decree shall come into force upon the date of its publication (14<sup>th</sup> July, 1917).

DECREE OF THE 15<sup>TH</sup> NOVEMBER, 1917, RELATING TO  
THE CANCELLATION OF SHARES IN CASES WHERE  
ENEMY PROPERTY IS LIQUIDATED

ARTICLE 1

If by virtue of the Decree relating to the liquidation of British undertakings of the 31<sup>st</sup> July, 1916, the liquidation has been ordered of a limited company or share company *en commandite* which has issued bearer shares, or of an interest in such a company, the Imperial Chancellor may order that, on the expiration of a period to be fixed by him, all the bearer shares of the company in question, or a part thereof, may be declared void by the Liquidator, and that new share certificates may be issued by the company.

ARTICLE 2

The Central State Authority within whose jurisdiction the company has its place of business, or the Authority which that Department may appoint, shall by public notice require the holders of the shares to notify their rights before the expiration of the prescribed period in writing, as provided in paragraph 2 of this Article, in order that their rights may be protected. The Authority to which such notification is to be made shall be indicated in the notice.

The notification must indicate the state of which the holder of the share is a national and the date at which such holder acquired

the share. If the holder has acquired the share at a date subsequent to 31st July, 1914, the names of the previous holders of the shares since the 1st August, 1915, and their nationality must also be stated. Proof must be furnished if required of the date of acquisition, the nationality of the holder, and if the holder acquired the share at a date subsequent to 31st July, 1914, the nationality of the previous holders. Proof of nationality by means of public documents may be required.

### ARTICLE 3

If the holder of the share and, in cases where the holder has acquired the share at a date subsequent to the 31st July, 1914, the previous holders thereof are persons to whom the provisions relating to the compulsory administration or liquidation of enemy undertakings do not apply, the holder of the share shall be entitled as soon as the same has been cancelled to have the new share handed to him in exchange for the old one. It is for the Central State Authority, or the Authority which that Department may appoint, to decide whether or not the foregoing conditions are satisfied. In the case of share interests in respect of which those conditions are not satisfied, the Central State Authority, or the Authority which that Department may appoint, shall decide, in accordance with the terms of existing measures of retaliation and of other legislative enactments, whether the new share certificate shall be handed to the holder of the old share, or in what other manner the share interests in question are to be dealt with.

By consent of the Central State Authority, or the Authority which that Department may appoint, stamping of the old shares may be substituted for the issue of new shares.

### ARTICLE 4

The provision contained in Article 3, paragraph 5, of the Decree of the 31st July, 1916, is in no way affected hereby. The provision contained in Article 11 of the aforementioned Decree relating to the delegation of the powers of the Imperial Chancellor to an Imperial Commissioner shall apply also to the powers which are given to the Imperial Chancellor by the present Decree.

### ARTICLE 5

This Decree shall come into force upon the date of its publication (17th November, 1917). The Imperial Chancellor shall determine the date upon which it shall cease to be in force.

4. *GENERAL*DECREE OF THE 24TH JUNE, 1915, SUPPLEMENTING  
THE DECREES RELATING TO THE SUPERVISION  
AND COMPULSORY ADMINISTRATION OF FOREIGN  
UNDERTAKINGS

The Federal Council has, by virtue of Article 3 of the Law enabling the Federal Council to take Economic Measures, etc., of the 4th August, 1914, issued the following Decree supplementing the Decrees relating to the Supervision of Foreign Undertakings of the 4th September and 22nd October, 1914, and the Decree relating to the Compulsory Administration of French Undertakings of the 26th November, 1914.

## ARTICLE 1

In cases where a Supervisor or Representative or Administrator has been appointed by virtue of the Decrees of the 4th September, 22nd October, or 26th November, 1914, or by virtue of a supplementary Proclamation of the Imperial Chancellor, claims to compensation by the owner of the undertaking or by a partner or shareholder in the undertaking, in respect of the acts or omissions of the person so appointed in the execution or arising out of the execution of his duties, may not be brought without the consent of the Central State Authority. Such consent shall be given if a culpable breach of duty has been committed. In so far as such consent is withheld legal proceedings shall be inadmissible.

## ARTICLE 2

Directors and employees of an undertaking subjected to compulsory administration shall be bound to furnish the Administrator, at his request, with information with regard to the business affairs of the undertaking; this shall apply even in cases where their employment in the undertaking came to an end after the 30th July, 1914. Any person who wilfully fails to give such information or knowingly makes false statements shall be liable to a fine not exceeding fifteen hundred marks, or to imprisonment for a period not exceeding three months.

As regards the obligation to furnish information to Supervisors, the provisions of the Decree of the 4th September, 1914, shall continue to apply.

## ARTICLE 3

The provisions of Article 1 shall come into force upon the date of the publication of this Decree, but the provisions of Article 2 shall not come into force until 28th June, 1915.

DECREE OF THE 24TH AUGUST, 1916, RELATING TO  
THE SUPERVISION AND COMPULSORY ADMINIS-  
TRATION OF FOREIGN UNDERTAKINGS

ARTICLE 1

Executions, arrests, provisional dispositions, and bankruptcy petitions affecting property which is subject to State supervision or administration by virtue of the Decrees of the 4th September and 26th November, 1914, or of the Decree of the 10th February, 1916, may only be effected with the consent of the Central State Authority. In cases where executions, arrests, or provisional dispositions have taken place after the coming into force of the Decree of the 7th October, 1915,<sup>1</sup> relating to the Notification of the Property in Germany of Enemy Nationals, the Supervisor or the Administrator may, with the consent of the Central State Authority, demand the cancellation thereof.

ARTICLE 2

In cases where property has been placed under administration by virtue of the Decrees of the 26th November, 1914, and the 10th February, 1916, the Administrator may, notwithstanding the provision contained in Article 2 of the Decree of the 30th September, 1914, prohibiting Payments to England, demand the settlement of claims founded on the law of property; the moratorium shall terminate on the expiration of a month from the time when payment is demanded.

If, in the case of a bill of exchange the protesting of which has been postponed by the moratorium established by Article 4 of the Decree of the 30th September, 1914, the moratorium is terminated by virtue of the provision contained in paragraph 1 of this Article, protest and recourse in respect of such bill shall nevertheless continue to be inadmissible. This provision shall apply *mutatis mutandis* to cheques.

ARTICLE 3

This Decree shall come into force upon the date of its publication (26th August, 1916). The Imperial Chancellor shall determine the date upon which it shall cease to be in force.

DECREE OF THE 12TH JULY, 1917, RELATING TO THE  
COMPULSORY ADMINISTRATION AND LIQUIDA-  
TION OF THE PROPERTY IN GERMANY OF PERSONS  
WHO HAVE ABANDONED THEIR ALLEGIANCE

ARTICLE 1

The provisions of the Decrees relating to the Compulsory Administration of French Undertakings of the 26th November, 1914,<sup>2</sup> 24th June, 1915,<sup>3</sup> 10th February and 24th August, 1916,<sup>4</sup> and

<sup>1</sup> See p. 47.

<sup>2</sup> See p. 34.

<sup>3</sup> See p. 44.

<sup>4</sup> See above.



of the Decrees relating to the Liquidation of British Undertakings of 31st July, 1916, 18th January and 12th July, 1917, are hereby declared applicable to the property of those persons who by virtue of Article 27, paragraph 1, of the Imperial and State Nationality Law of the 22nd July, 1913,<sup>1</sup> have been declared to have forfeited their German nationality.

#### ARTICLE 2

This Decree shall come into force upon the date of its publication (14th July, 1917).

<sup>1</sup> See Appendix V.

## CHAPTER V

### NOTIFICATION AND EMBARGO

#### DECREE RELATING TO THE NOTIFICATION OF THE PROPERTY IN GERMANY OF NATIONALS OF ENEMY STATES OF THE 7<sup>TH</sup> OCTOBER, 1915

##### ARTICLE 1

THE property in Germany of nationals of enemy States shall be notified in accordance with regulations to be issued by the Imperial Chancellor.

##### ARTICLE 2

The Central State Authorities shall determine to what Authorities the notifications shall be made.

All persons shall be bound, at the request of the Authority so appointed, to declare whether they hold any property which they are liable to notify, and to supplement any declaration or notification given with more detailed information.

##### ARTICLE 3

All persons who are engaged in receiving or working out the notification shall be bound to observe secrecy with regard to matters which are thereby brought to their knowledge.

##### ARTICLE 4

Great Britain and Ireland, France, Russia and Finland, together with their Colonies and Foreign Possessions, shall be treated as enemy States within the meaning of this Decree.

The Imperial Chancellor may declare that the provisions of this Decree shall be applicable in whole or in part to other enemy States or to territories occupied by the enemy.

##### ARTICLE 5

Juridical persons whose place of business is in an enemy country (see Article 4) shall be treated as nationals of enemy States within the meaning of this Decree.

## ARTICLE 6

Property situate in Germany, within the meaning of this Decree, shall include in particular interests in an undertaking which has its place of business in Germany, and claims of every kind founded on the law of property, if they are against persons who have their domicile or place of business in Germany.

## ARTICLE 7

If any property in Germany has been sold or assigned by the national of an enemy State after 31st July, 1914, and there is reason to suppose that the sale or assignment has taken place for the purpose of evading German measures of retaliation, the Imperial Chancellor may order that the sale or assignment shall, for the purposes of this Decree, be treated as null and void.

## ARTICLE 8

From the time of the coming into force of this Decree no property situate in Germany belonging to the nationals of enemy States, or claim appertaining thereto, may be sold, transferred, or charged without the consent of the Imperial Chancellor; this provision shall be without prejudice to any further Orders which may be issued by the military authorities.

The power of enforcing a right in rem or commercial lien acquired before the coming into force of this Decree shall be in no way affected hereby.

## ARTICLE 9

The restrictions contained in Article 8 shall not apply to—

1. The property of enemy nationals resident in Germany;
2. The property of enemy nationals which forms part of a business situate in Germany;

in so far as such property is sold or assigned to persons whose domicile, place of business, or place of permanent residence is in Germany or is charged in favour of such persons.

The restrictions contained in Article 8 shall not, moreover, apply to property which is subject to State supervision or administration under the provisions of the Decrees of the Federal Council of the 4th September and 26th November, 1914.

## ARTICLE 10

It shall until further notice be unlawful to remove abroad, either directly or indirectly, property belonging to nationals of enemy States, in particular securities and money, without the authority

of the Imperial Chancellor, except in the case of luggage which a traveller carries with him. The Imperial Chancellor is empowered to make more detailed regulations as to what is to be regarded as luggage.

#### ARTICLE 11

The further provisions contained in the Proclamations prohibiting payments to England, France, and Russia of the 30th September, 20th October, and 19th November, 1914, are not affected hereby.

#### ARTICLE 12

Any person who—

1. Wilfully fails to comply or to comply within the prescribed period with the regulations respecting the notification of property issued by the Imperial Chancellor under Article 1, or with a request made under Article 2, paragraph 2 ; or,
2. When notifying property or making a declaration or giving information under Article 2, paragraph 2, knowingly makes incomplete or incorrect statements ; or,
3. In contravention of the provisions of Article 3 fails to observe secrecy ;

shall be liable to a penalty not exceeding fifteen hundred marks, or to imprisonment for a period not exceeding three months.

In the case of an offence under (3) a prosecution may only be instituted upon application.

#### ARTICLE 13

Any person who wilfully contravenes the prohibition contained in Article 10 shall be liable to imprisonment for a period not exceeding three years, or to a fine not exceeding fifty thousand marks, or to one or other of these penalties, in so far as he is not liable to a severer penalty under other Penal Laws.

#### ARTICLE 14

This Decree shall come into force upon the date of its publication, but the provision contained in Article 13 shall not come into force until the 11th October, 1915.

The Imperial Chancellor shall determine when and to what extent this Decree shall cease to be in force.



PROCLAMATION OF THE IMPERIAL CHANCELLOR CONTAINING REGULATIONS AS TO THE NOTIFICATION OF THE PROPERTY IN GERMANY OF NATIONALS OF ENEMY STATES OF THE 10TH OCTOBER, 1915

By virtue of Article 1 of the Decree of the 7th October, 1915, relating to the Notification of the Property in Germany of Nationals of Enemy States, it is ordered as follows :

ARTICLE 1

The nationals of enemy States resident in Germany, with the exception of prisoners of war,<sup>1</sup> shall notify the whole of their assets in Germany, specifying the separate items of which they consist, as directed in the Notification Form marked "A."

ARTICLE 2

Every person who manages or has the custody of property in Germany belonging to a national of an enemy State, or to an undertaking situate in an enemy country, shall notify such property specifying the separate items of which it consists, and giving the name, domicile (style and place of business), and nationality of the person entitled thereto, as directed in the Notification Form marked "B."

ARTICLE 3

Every person by whom a payment in money is due to an enemy national abroad, or to an undertaking situate in an enemy country, shall notify the amount thereof, together with the name, domicile (style and place of business), and nationality of the party entitled thereto, as directed in the Notification Form marked "C." Only those natural or juridical persons whose domicile or place of business is in Germany are liable to notify.

Joint debts must be described as such.

In the case of recurrent payments, the amount payable annually and the length of time for which it is payable must be stated. If the payment is in the nature of a life annuity, the age of the person entitled thereto must be stated.

ARTICLE 4

The Directors or Managers of an undertaking situate in Germany in which enemy nationals are interested shall notify the name, place of residence, and nationality of such enemy nationals, and the nature and extent of their interest, as directed in the Notification Form marked "D." The holding of shares shall be treated

<sup>1</sup> This exception only applied to combatant prisoners, and not to interned civilians. (Schlegelberger, vol. ii, p. 440.)

as an interest within the meaning of this provision. Such holding shall be notified in so far as it is known to the Directors or Managers whether and to what extent the shares of the undertaking are in the possession of enemy nationals.

#### ARTICLE 5

If none of the owners of an undertaking situate in an enemy country is the national of an enemy State, notification under Articles 2 to 4 shall not be necessary.

An undertaking situate in a neutral country, all the owners of which are enemy nationals, shall be treated as an undertaking situate in an enemy country, within the meaning of the provisions contained in Articles 2 to 4.

#### ARTICLE 6

Juridical persons under public or private law, who have their place of business in enemy States, and in particular such States themselves, shall be treated as enemy nationals within the meaning of this Proclamation.

#### ARTICLE 7

If any doubt exists as to the nationality of a person whose domicile or place of permanent residence is in an enemy country, the person liable to notify must treat such person as an enemy national within the meaning of this Proclamation.

#### ARTICLE 8

If the value of notifiable property belonging to an enemy national is less than 500 marks, the notification of such property may be omitted.

In the case of recurrent payments, regard shall be had to the amount payable annually.

#### ARTICLE 9

Property administered by, or in the custody of, or debts due by an Imperial State or Communal Authority and property subject to State supervision or compulsory administration under the Decrees of the 4th September and the 26th November, 1914, shall be excepted from the liability to notify imposed by the Decree. State banks must notify in accordance with the provisions of this Proclamation. The same applies to the Reichsbank.

#### ARTICLE 10

The following are not notifiable :

1. Obligations of sureties and of persons liable by way of recourse unless the event which renders the surety liable or gives a right of recourse has already arisen.

2. Insurance premiums: obligations which involve the payment of insurance money are only notifiable if the event insured against has arisen.

3. Copyrights and rights to the protection of industrial property without prejudice to the notification of claims founded on the law of property which have arisen out of such rights.

4. Sea-going ships.

#### ARTICLE 11

Conditional or disputed obligations shall be indicated by the words "conditional" or "disputed."

If a payment is dependent upon a consideration still outstanding, it need not be notified.

#### ARTICLE 12

For the purpose of notification under the provisions of Articles 1, 2, 3, and 4, forms similar to the sample forms annexed hereto (A, B, C, D) shall be used.<sup>1</sup>

#### ARTICLE 13

Without prejudice to any special orders which may be issued under Article 7 of the Decree, the liability to notify shall depend upon the circumstances existing at the date of the coming into force of this Proclamation.

#### ARTICLE 14

Notification must be effected on or before the 15th December, 1915; an extension may upon application be granted to the person liable to notify.

#### ARTICLE 15

This Proclamation shall come into force upon the date of its publication.

### PROCLAMATION OF THE IMPERIAL CHANCELLOR OF 21ST OCTOBER, 1915, MAKING CERTAIN EXCEPTIONS TO THE EMBARGO UPON ENEMY PROPERTY

By virtue of Articles 8 and 10 of the Decree relating to the Notification of the Property in Germany of Nationals of Enemy States of the 7th October, 1915, the following exceptions shall be made in favour of natural persons having their domicile and place of present residence in those parts of Russia which are under

<sup>1</sup> It has been thought unnecessary and inadvisable in the interests of space to reproduce these somewhat complicated forms.

German administration, and likewise in favour of juridical persons who have their place of business and present seat of administration in such territories :

1. The sale, assignment, or charging of the property in Germany of such persons in favour of persons falling within the same categories, or in favour of persons having their domicile, place of business, or place of permanent residence in Germany shall be permitted.

2. The removal of property, in particular of securities and moneys, belonging to such persons to those parts of Russia which are under German administration shall be permitted.

## DECREE OF THE 23RD MARCH, 1916, RELATING TO EMBARGO AND NOTIFICATION IN RESPECT OF THE PROPERTY OF PERSONS WHO HAVE ABANDONED THEIR ALLEGIANCE

### ARTICLE 1

The provisions of the Decrees relating to the notification of the property in Germany of enemy nationals of the 7th October, 1915, shall apply *mutatis mutandis* to the property of persons who, by virtue of Article 27, paragraph 1, of the Imperial and State Nationality Law of the 22nd July, 1913,<sup>1</sup> have been declared to have forfeited their German nationality, provided that the Central State Authorities shall determine whether and in accordance with what regulations such property is to be notified.

The Central State Authorities may in particular cases declare that the provisions of paragraph 1 shall also apply to the property of Germans resident abroad, who have failed to comply with a summons to return to Germany issued to them by order of the Emperor. The order may be withdrawn.

### ARTICLE 2

This Decree shall come into force upon the date of its publication (24th March, 1916).

Wherever in the Decree of the 7th October, 1915, reference is made to the date of the coming into force of that Decree, the date of the coming into force of the present Decree shall be substituted therefor.

<sup>1</sup> See Appendix V.



DECREE RELATING TO THE NOTIFICATION OF FOREIGN  
CLAIMS OF THE 16TH DECEMBER, 1916

## ARTICLE 1

Claims against debtors in enemy countries shall be notified in accordance with regulations to be issued by the Imperial Chancellor.

## ARTICLE 2

The Central State Authorities shall determine to what Authorities the notifications shall be made.

At the request of the Authorities so appointed or of the Imperial Chancellor, every person shall be bound to declare within a prescribed period whether he has any claims which he is liable to notify, and to supplement any declaration or notification given with fuller information.

## ARTICLE 3

Persons engaged in receiving or working out the notifications shall be bound to observe secrecy with regard to matters which are brought to their knowledge by means thereof.

## ARTICLE 4

The Imperial Chancellor may authorize exceptions to the provisions of this Decree.

## ARTICLE 5

Any person who—

1. Wilfully fails to comply or to comply within the prescribed period with the regulations respecting notification issued by the Imperial Chancellor under Article 1, or with a request issued under Article 2, paragraph 2; or,
2. When notifying or making a declaration or giving information under Article 2, paragraph 2, knowingly makes incomplete or incorrect statements; or,
3. In contravention of the provisions of Article 3 fails to observe secrecy;

shall be liable to a fine not exceeding fifteen hundred marks, or to imprisonment for a period not exceeding three months.

In the case of an offence under (3), a prosecution may only be instituted upon application.

## ARTICLE 6

This Decree shall come into force upon the date of its publication (18th December, 1916).

PROCLAMATION RELATING TO THE NOTIFICATION OF  
FOREIGN CLAIMS OF THE 23RD FEBRUARY, 1917

## ARTICLE 1

The following are liable to notify :

Natural persons who have their domicile or place of permanent residence within the territory of the Empire, unless at the time of the outbreak of war they were domiciled or permanently resident abroad, and juridical persons and mercantile associations whose place of business is within the territory of the Empire.

Imperial, State, and Communal Administrative Authorities are not liable to notify.

## ARTICLE 2

Claims expressed in money against debtors domiciled in enemy countries, which already existed as money claims before the outbreak of war with the country in question, are notifiable.

The term "debtors domiciled in enemy countries" shall for the purposes of this provision be treated as including all natural persons who, at the time of the outbreak of war, had their domicile or place of permanent residence in such countries, all juridical persons and mercantile associations which at the time of the outbreak of war had their place of business in such countries, and in particular the enemy States themselves.

An incidental claim which has arisen during the war in connexion with a principal claim notifiable under paragraph 1 may be notified together with the latter, if such incidental claim consists of costs and disbursements. Interest should not be notified as an incidental claim.

## ARTICLE 3

The following are not notifiable :

1. Claims arising out of contracts in cases where the person liable to notify has not furnished either wholly or in part the consideration due from him under the contract ; in the case of part-performance, notification should be limited to such part of the claim as is proportionate to the consideration furnished.

2. Claims which have arisen in the course of carrying on the business of a branch undertaking in Germany belonging to the foreign debtor.

3. Claims which have arisen in the course of carrying on the business of a Head Office or branch establishment of the creditor in an enemy country.

4. Claims arising out of those classes of securities which, according to commercial practice, fall within the category of stocks and shares, including interest and dividend warrants.

5. Claims of sureties and claims by way of recourse, unless the event which renders the surety liable or gives a right of recourse has already arisen ; claims by way of recourse arising out of bills and cheques which have not yet been protested are likewise not notifiable.

6. Claims in respect of insurance premiums unless the annual amount thereof under one and the same contract exceeds one thousand marks ;

7. Claims in respect of insurance moneys which have not yet become due ; claims arising out of contracts of life insurance, however, must be notified even in cases where the policy moneys have not yet become due ; the amount to be notified in such cases is the sum insured for.

#### ARTICLE 4

The notification must be made in the manner provided in the appended form on or before 15th April, 1917, to the Offices indicated by the Central State Authorities under Article 2 of the Decree of 16th December, 1916. An extension may upon application be granted by the Notification Office to the person liable to notify.

#### ARTICLE 5

Germans or German companies or partnerships domiciled, or domiciled at the outbreak of war, in the German Protectorates may notify claims against debtors domiciled in enemy countries to the Imperial Commissioner appointed to inquire into acts of violence committed against German civilians in enemy countries (whose address at the present time is 38, Potsdamerstrasse, Berlin, W.35), in so far as they have not already made a written notification locally.

In the case of Germans domiciled in Imperial territory, who are interested, or were interested until the outbreak of war, in undertakings in enemy countries, the same shall apply to claims which have arisen in the course of carrying on such undertakings or branch undertakings.

#### ARTICLE 6

The notification of claims to the Imperial Indemnity Commission and the consideration thereof by the Commission shall not be affected by the provisions of this Proclamation.

#### ARTICLE 7

This Proclamation shall come into force upon the date of its publication (28th February, 1917).

DECREE OF THE 24<sup>TH</sup> JANUARY, 1918, RELATING TO  
NOTIFICATION OFFICES FOR ENEMY PROPERTY  
AND FOREIGN CLAIMS

ARTICLE 1

The Imperial Chancellor shall be authorized, when issuing Regulations with respect to the notification of the property in Germany of nationals of enemy States (Decree of 7th October, 1915), and with respect to the notification of foreign claims (Decree of 16th December, 1916), to determine at what Offices the notification is to be effected.

ARTICLE 2

The Imperial Chancellor may determine under what conditions the Custodian may furnish information with respect to enemy property.

ARTICLE 3

This Decree shall come into force upon the date of its publication (28th January, 1918).



## CHAPTER VI

### THE CUSTODIAN OF ENEMY PROPERTY

#### DECREE RELATING TO THE CUSTODIAN OF ENEMY PROPERTY OF THE 19TH APRIL, 1917

##### ARTICLE 1

THE Imperial Chancellor shall nominate a Custodian for Enemy Property.

##### ARTICLE 2

The Custodian shall be authorized to take under his administration the property in Germany of enemies, but in the case of undertakings, branch undertakings, and land he may only do so with the consent of the Central State Authority. The decision of the Custodian that the conditions exist which entitle him to take property under his administration can only be contested through the administrative channel.<sup>1</sup>

In the case of property which has been subjected to State supervision or administration or to liquidation under the Decrees of the 4th September, 15th<sup>2</sup> October, and 26th November, 1914, or of the 10th February or 31st July, 1916, the authority of the Custodian shall only extend to such things as are transferred to him out of the property in question. In the case of undertakings which have been placed under supervision by virtue of the Decree of the 4th September, 1914, the Supervisors shall be authorized to order the transfer to the Custodian of money or securities which are not required for the carrying on of the business.

##### ARTICLE 3

The provisions relating to deposit with the Reichsbank contained in—

Article 4, paragraph 2, of the Decree relating to the Supervision of Enemy Undertakings of the 4th September, 1914;  
Article 3 of the Decree prohibiting Payments to England of the 30th September, 1914;

Article 5, paragraph 2, sentence 1, of the Decree relating to the Compulsory Administration of French Undertakings of the 26th November, 1914,

<sup>1</sup> A sample of the form used by the Custodian when notifying his intention to take enemy property under his administration will be found in Appendix VI.

<sup>2</sup> ? 22nd.

are in so far amended hereby that transfer to the Custodian is substituted for deposit with the Reichsbank.

In cases where deposit with the Reichsbank has already, before the coming into force of this Decree, been effected under the provisions mentioned in paragraph 1 of this Article, the Custodian may take the deposited amounts and securities under his administration, in place of the Reichsbank.

#### ARTICLE 4

The provisions of Article 2, Article 5, paragraph 1, and Article 6 of the Decree of the 26th November, 1914, and likewise the provisions of Article 1 of the amending Decree of the 24th June, 1915, shall apply, *mutatis mutandis*, to administration by the Custodian. The Imperial Chancellor shall take the place of the Central State Authority. In cases where the Custodian has the right to represent an enemy by virtue of Article 2 of the Decree of the 26th November, 1914, a claim against such enemy may not be enforced against the Custodian in the Courts, except by consent of the Custodian.

Every person is bound at the request of the Custodian to furnish information with regard to the property of enemies.

#### ARTICLE 5

Article 8 of the Decree relating to the Notification of the Property in Germany of nationals of enemy States of the 7th October, 1915, is in so far amended hereby that the consent of the Custodian is substituted for the consent of the Imperial Chancellor, where such consent is required for the sale, transfer, or charging of the property. The power to authorize its removal abroad which is conferred upon the Chancellor by Article 10 of the said Decree is likewise transferred to the Custodian.

If any execution, arrest, or provisional disposition in respect of property taken under administration by the Custodian has been effected since the declaration of war against the particular State concerned, the Custodian may demand the cancellation thereof.

Executions, arrests, provisional dispositions, and bankruptcy petitions in respect of property which the Custodian has taken under his administration may in no case be effected without his consent.

#### ARTICLE 6

The Custodian may, notwithstanding the provisions of Article 2 of the Decree of the 30th September, 1914, require the settlement of claims which he has taken under his administration; the moratorium shall terminate upon the expiration of one month from the date of the request for payment.

If, in the case of a bill of exchange, the protesting of which has been postponed by virtue of the moratorium established by

Article 4 of the Decree of the 30th September, 1914, the moratorium terminates by virtue of the provision contained in paragraph 1 of this Article, protest and recourse in respect of such bill shall nevertheless continue to be inadmissible. This provision shall apply *mutatis mutandis* to cheques.

#### ARTICLE 7

In the case of money claims which would have fallen due for settlement but for the moratorium established by Article 2 of the Decree of the 30th September, 1914, interest at the rate applicable to delayed payments shall be paid to the Custodian as from 1st April, 1917. Interest may not be charged upon interest under this provision.

In the case of money claims which have not yet fallen due for settlement, but interest in respect of which is, under law or contract payable before they fall due for settlement, the debtor shall likewise pay to the Custodian the current interest as from 1st April, 1917.

The Imperial Chancellor shall determine at what periods the interest is to be paid. He may also make special regulations with regard to the rate of interest to be paid, and may permit exceptions.

The obligations specified in paragraphs 1 and 2 of this Article shall arise even if the Custodian has not taken the claim under his administration, and irrespective of whether any request for payment has been made by him. In cases which fall within paragraph 1 of this Article, the obligation shall arise notwithstanding any attachment or right of pledge affecting the postponed claim.

The provisions of paragraphs 1 and 3 of this Article shall not apply to claims arising out of bills of exchange or cheques.

#### ARTICLE 8

Any person who withholds from the Custodian information requested under Article 4, paragraph 2, or knowingly makes false statements, shall be liable to a penalty not exceeding fifteen hundred marks or to imprisonment for a period not exceeding three months.

A prosecution may not take place except at the instance of the Custodian.

#### ARTICLE 9

The Imperial Chancellor may issue regulations for the carrying out of this Decree.

#### ARTICLE 10

This Decree shall come into force on the 1st May, 1917. The Imperial Chancellor shall determine the date upon which it shall cease to be in force.

PROCLAMATION OF THE 4<sup>TH</sup> AUGUST, 1917, WITH  
RESPECT TO THE GRANTING OF LICENCES UNDER  
THE DECREES PROHIBITING PAYMENTS TO ENEMY  
COUNTRIES

The powers conferred upon the Imperial Chancellor by virtue of Article 7 of the Decree prohibiting payments to England of the 30th September, 1914, and by virtue of Article 3 of the Decree of 17th January, 1917, relating to the moratorium provisions contained in the Decrees prohibiting Payments to Enemy Countries, of licensing exceptions to the provisions of those Decrees, are hereby transferred to the Custodian of Enemy Property. Applications for licences should be addressed to the Custodian of Enemy Property, Mohrenstrasse 34, Berlin, W.10.

## CHAPTER VII

### MISCELLANEOUS ENACTMENTS AFFECTING BRITISH PROPERTY RIGHTS AND INTERESTS

#### DECREE RELATING TO THE TREATMENT OF ENEMY GOODS IN CUSTOMS HOUSES OF THE 15TH OCTOBER, 1914

##### ARTICLE 1

Goods which on the date of the coming into force of this Decree are lying within the Imperial frontiers for account of a natural or juridical person whose domicile or place of business is in Belgium, France, Great Britain, or Russia, or in the Colonies or Foreign Possessions of any of those States shall, in so far as they have not yet passed into free circulation, be provisionally detained by the Customs Authorities.

Goods which have been passed for exemption from duty in the event of their re-exportation, shall be treated as goods which have not yet passed into free circulation within the meaning of this provision.

##### ARTICLE 2

In the case of goods which have not yet passed into free circulation, every person who is concerned with their transport, custody, or disposal shall at the request of the Customs Authorities furnish information with regard thereto; he shall in particular submit his books and permit inspection of the goods. Fines may be imposed upon him for failure to fulfil these obligations, the total amount of which shall not exceed 3,000 marks.

##### ARTICLE 3

The Imperial Chancellor may, by way of retaliation, order that the detained goods shall be requisitioned for the use of the Empire.

##### ARTICLE 4

The requisition shall be effected by a decision of the Head Office of Customs. Before such decision is pronounced, the party entitled to make applications with regard to the treatment of the



goods for Customs purposes shall be heard. The decision to requisition the goods shall be communicated to such party. The Directorate of Customs is the only authority to whom an appeal against the decision is permissible, and any such appeal must be made within a month.

#### ARTICLE 5

Out of the requisitioned goods, claims by persons resident in Germany in respect of expenses incurred in connexion therewith shall first be satisfied.

#### ARTICLE 6

In the Free Ports the Central State Authority shall determine which Administrative Authorities shall be competent for these purposes.

#### ARTICLE 7

This Decree shall come into force upon the date of its publication.

The Imperial Chancellor may extend the Decree to enemy countries other than those specified in Article 1; he may revoke or modify orders issued under Article 3.

The Imperial Chancellor may authorize exemptions from the provisional detention referred to in Article 1.

The Imperial Chancellor shall determine when and to what extent this Decree shall cease to be in force.

### DECREE RELATING TO THE RIGHTS OF ENEMY NATIONALS TO THE PROTECTION OF INDUSTRIAL PROPERTY OF 1ST JULY, 1915

#### ARTICLE 1

Rights in respect of patents, designs, and trade-marks, in so far as they belong to the nationals of enemy States, may in the public interest be restricted or cancelled by Order of the Imperial Chancellor. Rights to work or use them may in particular be granted to third parties.

Such Orders may be made retrospective. They may at any time be altered or withdrawn.

#### ARTICLE 2

Patents shall not be granted and designs or trade-marks shall not be registered upon applications by enemy nationals. The Patent Office may, moreover, in so far as enemy nationals are concerned, suspend all official acts which may be incumbent upon it under existing laws, and may provisionally discontinue the

proceedings; the Controller of the Patent Office may issue regulations with regard to such matters.

#### ARTICLE 3

The application of this Decree shall not be excluded by the fact that the rights in question have been transferred since the 31st July, 1914, to nationals of other States, or by the fact that nationals of other States are put forward as covers for the parties really interested.

#### ARTICLE 4

Nationals of the colonies and foreign possessions of enemy States, and persons who have their domicile or business establishment within the territories of enemy States or their colonies or foreign possessions, and likewise juridical persons, companies, partnerships, and undertakings which have their place of business in the aforementioned territories, or are conducted or controlled therefrom, or the profits of which have to be credited wholly or in part to such territories, shall be treated as the nationals of enemy States.

#### ARTICLE 5

England, France, and Russia shall be treated as enemy States within the meaning of this Decree.

#### ARTICLE 6

Patents belonging to Russian nationals shall be treated as cancelled from 11th March, 1915, without prejudice to any exclusive rights to work or use the same which may have been acquired by nationals of non-enemy States. Rights of the aforementioned kind shall be notified to the Patent Office and shall be published in the *Patent Gazette*; any such right shall cease to have effect unless it is brought to the knowledge of the Patent Office, at latest by the 30th September, 1915. The Empire shall be entitled to claim the agreed consideration for the grant of the right; the payments due shall be made to the Patent Office.

Rights acquired by Russian nationals to work or use patents shall be treated as cancelled from the 11th March, 1915.

No rights may be established in favour of Russian nationals by virtue of patent applications made after the 11th March, 1915.

The provisions contained in paragraphs 1 to 3 of this Article shall apply *mutatis mutandis* to designs.

#### ARTICLE 7

The Imperial Chancellor shall issue the necessary Regulations for the carrying out of this Decree; he may delegate the powers specified in Article 1 to another Authority.

The Imperial Chancellor may, by way of retaliation, declare this Decree applicable in whole or in part to the nationals of States other than those specified in Article 5.

#### ARTICLE 8

This Decree shall come into force upon the date of its publication. The Imperial Chancellor shall determine when and to what extent it shall cease to be in force.

#### REGULATIONS OF THE IMPERIAL CHANCELLOR OF THE 2ND JULY, 1915, FOR THE CARRYING OUT OF THE DECREE RELATING TO THE RIGHTS OF ENEMY NATIONALS TO THE PROTECTION OF IN- DUSTRIAL PROPERTY OF 1ST JULY, 1915

By virtue of Article 7 of the Decree relating to the Rights of Enemy Nationals to the Protection of Industrial Property of the 1st July, 1915, I hereby order as follows :

#### WITH REFERENCE TO ARTICLE 1 OF THE DECREE

1. The Imperial Commissioner appointed to deal with rights to the protection of industrial property shall be the competent authority to make Orders.

2. Such Orders shall only be made upon application. The application shall be addressed in writing to the Controller of the Patent Office. The statements upon which the application is founded shall be properly authenticated. For every right to which the application relates, a duty of 50 marks shall be paid to the Patent Office at the time it is made.

3. The Controller of the Patent Office shall prescribe such measures as may be necessary to elucidate the circumstances. He may publish the application in an appropriate manner and call upon the parties thereto to give evidence. He shall submit to the Imperial Commissioner a report upon the proceedings which have taken place and his opinion thereon.

4. The Imperial Commissioner may, when framing his Orders or carrying them into effect, examine witnesses and experts upon oath ; he may also avail himself of the help of the administrative authorities, and may apply to the Patent Office or to the Courts for legal advice. He may fix the amount of the payments which have by virtue of his Orders become due to the Empire. The amounts so fixed shall be treated as public taxes, and may be compulsorily recovered in accordance with the provisions of local law in force in the place where the person liable has his domicile or place of business.

5. Witnesses and experts shall receive the fees prescribed by

the Order relating to Fees of the 30th June, 1878. The costs so arising shall be borne by the applicant.

6. The Supreme Military or Naval Authority may apply direct to the Imperial Commissioner for the issue of such orders as may be necessary for the purposes of the army or of the navy.

WITH REFERENCE TO ARTICLE 6 OF THE DECREE

7. It shall be open to every person to inspect the documents upon the strength of which the Notices of the Patent Office are issued.

8. The Empire shall, as regards any claim which it may be entitled to make, be represented by the Controller of the Patent Office.

## CHAPTER VIII

### OCCUPIED TERRITORY

UNDER clause 1, paragraph 2, of the Annex to Section IV of Part X of the Treaty of Versailles it is provided that all measures taken by the German Authorities with regard to enemy property, rights, and interests in invaded or occupied territory shall be void. As the German Economic War Legislation affecting enemy property in occupied territory is rendered obsolete by this provision, no useful purpose would be served by supplying translations of the numerous decrees which were issued by the German Authorities in Belgium and Poland during the War, but a brief summary of the enactments in question may be of use for reference purposes.

### GERMAN LEGISLATION IN BELGIUM

The Economic War Legislation of Germany in Belgium is embodied in a number of decrees issued by the Governor-General.

On 18th September, 1914, a Decree was issued appointing a Controller-General of Banks in Belgium, who was authorized to inspect their books and accounts, to demand any information with regard to their operations, and to prohibit any transaction, communication, or dealing which he thought fit.

All banks and banking firms in Belgium were prohibited by this Decree from transmitting directly or indirectly money or securities to enemy countries.

The business of all enemy banking establishments in Belgium was confined to the winding-up of transactions already entered into and to the fulfilment of existing obligations, and, in the case of such banks, the Decree provided that any surplus assets remaining over after the discharge of outstanding liabilities to non-enemies should be deposited at such places as the Controller-General might direct.

On 3rd November, 1914, a Decree was issued prohibiting



payments to England and France, which was practically identical in terms with the corresponding Decree issued in Germany on the 30th September of that year (see p. 21).

On 26th November, 1914, a Decree was issued authorizing the Controller-General of Banks to place under supervision any undertaking which was directed or controlled from enemy countries, or any part of the profits of which were payable to enemy countries or to enemy nationals, or in which enemy nationals were in any way interested. The costs of supervision were to be borne by the supervised undertakings, and the duties and functions of the Supervisors appointed under this Decree were similar to those of the Supervisors of foreign undertakings in Germany (see p. 32). The Decree also empowered the Controller-General to appoint a "Representative" to carry on or wind up the current business of a supervised undertaking in cases where no person authorized to perform juristic acts on behalf of such undertaking remained in Belgium. The representative so appointed had, generally speaking, the same powers as a Representative appointed for similar purposes in Germany (see Decree of 22nd October, 1914, on p. 33).

On 17th February, 1915, a Decree was issued authorizing the Controller-General of Banks to place under compulsory administration all undertakings (*a*) which were directed or controlled from enemy countries; or (*b*) in whose capital, profits, or direction, an interest to the extent of one-third was in the hands of enemy nationals; or (*c*) the principal part of whose business was carried on in an enemy country; or (*d*) the continuance or resumption of whose business was desirable in the interests of Germany or of occupied Belgium; or (*e*) the continuance of whose business was likely to be prejudicial to German interests.

An undertaking for the purposes of the Decree was defined as including branches, agencies, warehouses, and land. The powers and functions of compulsory administrators under this Decree were similar to those of Compulsory Administrators in Germany, except that they might delegate the right to perform certain juristic acts on behalf of the undertaking to others (e.g. employees).

The powers of the Controller-General under the Decrees of 26th November, 1914, and 17th February, 1915, were, as regards industrial and insurance undertakings, transferred to the Chief Administrator for Belgium by a subsequent Decree of the 26th August, 1915; and his powers under those Decrees as regards land were likewise eventually trans-

ferred to the Chief Administrator by a further Decree of 23rd June, 1917.

A Decree of the 18th February, 1916, extended the definition of the word "undertaking" for the purposes of compulsory administration to every kind of property, and a further Decree of 30th December, 1916, empowered the Administrators of enemy undertakings to enforce all claims founded upon the law of property, notwithstanding the moratorium provisions in respect of enemy claims contained in the Decree of 3rd November, 1914, except as regards protest and recourse in respect of bills or cheques.

A Decree of 29th August, 1916, authorized the liquidation of any undertaking which was directed or controlled from British territory, or had been so directed or controlled at the outbreak of war, and the liquidation of any British interest in an undertaking. Branches, agencies, warehouses, estates of deceased persons, land and property of every kind were treated as undertakings for the purposes of this Decree. The powers and functions of liquidators so appointed were similar to those of liquidators of British undertakings in Germany. The majority of British undertakings which had been placed under compulsory administration by virtue of the previous Decree of 17th February, 1915, were liquidated under the new Decree.

A Decree of the 3rd March, 1917, prohibited all undertakings in occupied Belgium from selling, charging, or transferring their shares or other interests in foreign undertakings, or in Belgian undertakings abroad, without the sanction of the Controller-General of Banks.

A Decree of 26th April, 1917, prohibited executions, arrests, and bankruptcy petitions in respect of property under compulsory administration, or in respect of undertakings for which a Representative had been appointed under the Decree of 26th November, 1914, without the special sanction of the German Authority which had ordered the administration or appointed the Representative.

A Decree of the 4th July, 1917, prescribed the notification of all industrial or commercial undertakings in which British or French nationals had an interest, and of all land which belonged wholly or in part to British or French nationals. The holding of shares was deemed to be an interest within the meaning of this Decree, and the only undertakings of the kind which were exempt from notification were those which had been placed under compulsory administration or supervision.

## GERMAN LEGISLATION IN POLAND

The Economic Legislation of Germany in Occupied Poland is—as in the case of Belgium—embodied in a series of Decrees issued by the Governor-General.

On the 21st March, 1915, a Decree was issued prohibiting payments from Occupied Poland to Great Britain, France, and Russia. This Decree was practically identical in terms with the corresponding Decree issued in Germany, of 30th September, 1914. It conferred upon the Chief Administrator for Poland the authority to grant licences, and provided that the debtor might free himself from his liability by depositing the sums or securities due with the German authorities at Warsaw for account of the creditor. On the 22nd March, 1916, an amending Decree was issued for the purpose of making it clear that the prohibition did not affect the powers of a compulsory administrator of an enemy undertaking to collect rent.

On the 10th July, 1915, a Decree was issued authorizing the Chief Administrator for Poland to place under compulsory administration all undertakings (*a*) which were conducted or controlled from enemy countries; or (*b*) in whose capital, profits, or direction, enemy nationals were interested to the extent of one-third or more; or (*c*) the principal part of whose business was carried on in an enemy country; or (*d*) the continuance or resumption of whose business was necessary in the interests of Germany; or (*e*) the continuance of whose business was considered prejudicial to German interests.

The term “undertaking” included for the purposes of this Decree branches, agencies, warehouses, and land. The powers and functions of compulsory Administrators so appointed were practically identical with those of compulsory Administrators under Article 2 of the corresponding Decree for Germany (see p. 34) except that they were given a power of delegation and might authorize other persons (e.g. employees of the undertaking) to perform certain “juristic acts” on behalf of the undertaking. A compulsorily administered undertaking was charged with the costs of the administration and the remuneration of the Administrator, who was directly responsible to the Chief Administrator for the carrying out of his duties. The issue of regulations with respect to the depositing of surplus profits for the account of the enemy owner was left entirely to the discretion of the Chief Administrator.



A further Decree issued on the 22nd March, 1916, extended the provisions of the previous Decree to all property belonging to an undertaking and to the estates of deceased persons, and provided that upon special grounds, other classes of property belonging to enemy nationals might be placed under compulsory administration. It provided that the Chief Administrator might, as an alternative to compulsory administration, place the undertaking or property under supervision, and specified the powers and duties of Supervisors in terms practically identical with those contained in Articles 1 and 2 of the German Decree of the 4th September, 1914, relating to the Supervision of Foreign Undertakings (see p. 32). It empowered the Chief Administrator to levy upon every administered or supervised undertaking an annual tax payable in quarterly instalments, in order to meet the expenses of his Department.

An amending Decree of the 12th November, 1916, prohibited executions, arrests, and bankruptcy petitions in respect of administered or supervised property except with the consent of the Chief Administrator. This Decree empowered Administrators to enforce claims notwithstanding the moratorium provisions of the Decree of 21st March, 1915—except as regards protest and recourse in respect of bills or cheques. In the case of supervised undertakings, it gave the owner a similar right subject to the consent of the Supervisor.

On the 19th July, 1916, a Decree was issued which placed an embargo upon all enemy property in Poland, and prescribed the notification of such property on lines practically identical with those laid down in the corresponding Decree issued in Germany (see p. 47). Regulations for the carrying out of this Decree were on the same date issued by the Chief Administrator, similar to those which had been issued for Germany by the Imperial Chancellor in the previous year (see p. 50).

On the 6th September, 1916, a Decree was issued authorizing the Chief Administrator to order the compulsory liquidation of any undertaking which was directed or controlled from Great Britain, or the major part of whose capital was in the hands of British nationals. The terms of this Decree were similar to those of the corresponding German Decree of the 31st July, 1916 (see p. 38).





PART II

*TREATMENT OF BRITISH PROPERTY, RIGHTS  
AND INTERESTS IN AUSTRIA DURING  
THE WAR*



## CHAPTER I

### INTRODUCTION

AUSTRIA, like Germany, appears to have been at the outset reluctant to attack the private property and businesses of enemies, and her economic war legislation, like that of her ally, took the form of so-called "measures of retaliation." She halted considerably behind Germany in the adoption of these measures, for, whereas the German Prohibition against Payments to England was issued on the 30th September, 1914, the corresponding Austrian Prohibition was not issued until the 22nd October of that year. In the adoption of subsequent measures of the kind, she appears, generally speaking, to have waited for Germany to give the lead, and to have subsequently followed suit after a prolonged interval.

The Enabling Laws upon which Austria's economic war legislation was founded were the Imperial Edict of 16th October, 1914, relating to Legal and Economic Measures of Retaliation arising out of the War (see p. 78), and the Law of the 24th July, 1917, authorizing the Government to take such economic measures as might be necessitated by the abnormal conditions arising out of the war.

On the 22nd October, 1914, a Decree was issued prohibiting Payments to Great Britain and France (see p. 80). This prohibition differed from the corresponding German measure in one material respect. Its scope was not confined to the territory of the enemy countries concerned; it was, in fact, based both upon the territorial principle and upon the principle of nationality, for it prohibited (*a*) payments to British and French nationals unless resident in Austrian territory, and (*b*) payments to persons resident in Great Britain and France. Apart from this, the Austrian Decree was in substance and effect similar to the German one.

On the same date a Decree was issued providing for the supervision of undertakings controlled from enemy countries (see p. 83), and a further Decree of 7th October, 1915 (see p. 84), extended supervision to undertakings in which the

controlling interest was in the hands of enemy subjects, defined more clearly the powers and functions of supervisors, and provided for the appointment of "Managers" in cases where no person authorized to represent the business remained in Austria.

On 29th July, 1916, a Decree was issued providing for the compulsory administration of enemy undertakings and of enemy property of every kind. This Decree, although its provisions embraced other classes of property than those included in the corresponding German Decree, which had been issued about three months before, and upon which it appears to have been founded, was not as a general rule applied to personal property, but only to business undertakings and land; and although it provided that an undertaking placed under compulsory administration might at any time be dissolved by order of the Government, that course was not in practice adopted.

After the 1st March, 1915 (see Decree of that date on p. 90), all persons owing money to or holding securities on behalf either of British nationals or of persons resident in Great Britain were bound to notify the enemy claims or enemy property in question to the Ministry of Finance, and after 31st October, 1917 (see Decree of that date on p. 91), no enemy property could be removed from Austria or dealt with in any way without a special licence from the Ministry for Home Affairs.

On the 16th August, 1916 (see p. 97), a Decree was issued authorizing the Ministry of Public Works to restrict or cancel the rights of British and French nationals in respect of patents, designs, and trade-marks, and to grant licences to work and use the same. It provided that applications by such nationals should still be accepted, but that the granting of patents should be deferred. It will be observed that this Decree was not issued until more than a year after the corresponding German Decree, and more than two years after similar legislation had been introduced in the United Kingdom.

This was the last of Austria's so-called "measures of retaliation" in the sphere of trade, and the policy of cutting the roots of enemy commercial enterprise subsequently pursued both by the Allied Powers and by Germany was not adopted in Vienna. No Custodian of Enemy Property was appointed; no measures of compulsory liquidation were instituted. Personal property belonging to enemies, though notifiable and liable to compulsory administration, was, in practice, not as a rule interfered with. Austrian debtors who desired to discharge their obligations to their enemy creditors were authorized to

deposit the money with the Austro-Hungarian Bank, the Post Office Savings Bank, or some other banking institution, where it was retained on blocked account (see Article 6 of the Ministerial Decree of 22nd October, 1914, p. 81), but no compulsory collection of such debts was attempted.

A word should be said in conclusion with regard to requisitions, to which both the property of Austrian nationals and the property of enemies were equally liable. The requisitioning powers of the Austrian Government were based—

1. Upon the Law relating to War Contributions of 26th December, 1912.
2. Upon the Imperial Edict of 10th October, 1914, authorizing the Government to take such economic measures as might be rendered necessary by the abnormal conditions arising out of the war.<sup>1</sup>

The Austrian Law of 1912 confers much wider powers in respect of requisition than the German War Contribution Law of 1873. Article 1 provides that in the event of mobilization or outbreak of war, and as long as the war or danger of war continues, the war contributions thereafter specified "may be required both for the purposes of those sections of the armed forces of the State which are mobilized (or engaged in war), equipped, and on active service, and for the purposes of any measures of defence necessary for the carrying on of the war." Article 24 provides that, for the purposes specified in Article 1, other materials than those mentioned in the Law may be temporarily or permanently requisitioned from their owners. The Austrian Government exercised its requisitioning powers in each case by means of a general requisition relating to a particular commodity. These general requisitions took the form of Ministerial Ordinances based upon the Law of 1912, and upon the Imperial Edict of 1914 (referred to above), Article 24 of the Law of 1912 being in each case specifically cited in the preamble.

Translations of all the more important Austrian measures affecting enemy property will be found in the following pages. Hungary legislated independently of Austria but, in general, upon the same lines.

<sup>1</sup> Replaced by the Law of the 24th July, 1917, see p. 78.



## CHAPTER II

### THE ENABLING LAWS

#### IMPERIAL EDICT OF THE 16TH OCTOBER, 1914, RELATING TO LEGAL AND ECONOMIC MEASURES OF RETALIATION ARISING OUT OF THE WAR

By virtue of the provisions of Article 14 of the Law of the Constitution of 21st December, 1867, I hereby order as follows :

##### ARTICLE 1

The Government shall be empowered by virtue of the right of retaliation to issue regulations or to take measures of a legal or economic character with regard to the treatment of foreigners and foreign undertakings, and to take such measures as may be necessary for preventing direct or indirect payments to enemy countries.

##### ARTICLE 2

If any person wilfully contravenes the regulations issued under Article 1 hereof, the offence shall be punishable with imprisonment for a period of not less than one month and not more than one year.

In addition to imprisonment, a fine not exceeding 50,000 kronen may be imposed, which shall be paid into the Treasury.

##### ARTICLE 3

This Imperial Edict shall come into force upon the date of its publication. The duty of carrying it into effect shall devolve upon the Minister for Home Affairs and upon the other Ministers concerned.

#### LAW OF THE 24TH JULY, 1917, AUTHORIZING THE GOVERNMENT TO TAKE SUCH ECONOMIC MEASURES AS MAY BE NECESSITATED BY THE ABNORMAL CONDITIONS ARISING OUT OF THE WAR

With the consent of both Houses of the Imperial Council, I hereby order as follows :

##### ARTICLE 1

The Government shall be authorized for such period as the abnormal conditions brought into existence by the War continue

to operate, to institute by Decree such measures as may be necessary for the purpose of promoting and restoring the economic life of the State, for the purpose of averting economic damage and for the purpose of supplying the population with food and other necessities.

The Communes may also be required to co-operate in carrying out the measures adopted by virtue of this Law.

#### ARTICLE 2

In the regulations to be issued, infringements thereof may be made punishable with fines not exceeding 20,000 kronen, imprisonment for a period not exceeding six months, forfeiture of the articles which form the subject-matter of the offence, and loss of commercial rights: such penalties may even be imposed simultaneously. The administrative authorities shall be responsible for the enforcement of the penalty.

#### ARTICLE 3

The Government shall be bound to submit to the Imperial Council the regulations issued by virtue of the Edict of the 10th October, 1914, and to revoke them if the Imperial Council so requires. The same shall apply to regulations issued by virtue of this Law, which shall be submitted to the Imperial Council not later than at the end of each quarter if it is sitting, and otherwise as soon as it assembles.

#### ARTICLE 4

This Law shall come into force upon the date of its publication. The Imperial Edict of the 10th October, 1914, shall as from that date cease to be in force.

#### ARTICLE 5

The regulations issued by virtue of this Law or by virtue of the Imperial Edict of 10th October, 1914, shall, in so far as no time limit is prescribed for their duration, remain in force until they are modified or revoked, either by new regulations issued under this law, or under some other legislative sanction, or at the request of the Imperial Council under Article 3.

The regulations issued under this Law shall, moreover, be revoked if they are not submitted to the Imperial Council within the time specified in Article 3 of this Law.

## CHAPTER III

### TRADING WITH THE ENEMY

#### MINISTERIAL DECREE OF THE 22<sup>ND</sup> OCTOBER, 1914, RELATING TO MEASURES OF RETALIATION WITH RESPECT TO THE PROPERTY AND CLAIMS OF ENEMY NATIONALS

By virtue of Article 1 of the Imperial Edict of the 16th October, 1914, it is ordered as follows :

##### ARTICLE 1

By virtue of the right of retaliation, the settlement of claims of enemy nationals in respect of property or debts, against undertakings carrying on business in Austrian territory, or against individuals or public administrative bodies or other corporations, may be prohibited or made subject to the fulfilment of specified conditions. It may further be ordered that the property or money due shall be deposited, until further notice, with the Austro-Hungarian Bank or the Post Office Savings Bank, or in other suitable places.

##### ARTICLE 2

From the moment of the coming into force of this Decree, all business undertakings operating in Austria, individuals, public bodies, or other corporations, may be required by the Government to notify property or debts of the kind specified in Article 1.

##### ARTICLE 3

This Decree shall come into force upon the date of its publication.

#### MINISTERIAL DECREE OF THE 22<sup>ND</sup> OCTOBER, 1914, RELATING TO THE PROHIBITION OF PAYMENTS TO GREAT BRITAIN AND FRANCE

By virtue of Article 1 of the Imperial Edict of the 16th October, 1914, relating to Legal and Economic Measures of Retaliation arising out of the War, it is ordered as follows :

##### ARTICLE 1

It shall be unlawful, until further notice, to pay any sum to a national of Great Britain or Ireland or of the British Colonies or

Possessions, or to a national of France or her Colonies, or to any person having his domicile or place of business within those territories, either directly or indirectly, whether in cash, or by means of bills or cheques, or by transfer, or in any other manner whatsoever, or to transfer money or securities directly or indirectly to those territories.

This prohibition shall be applicable as against every assignee of a claim if he has acquired the claim at a date subsequent to the 13th August, 1914, or—in the case of an assignee having his domicile or place of business in Austria—if he has acquired the claim at a date subsequent to the coming into force of this Decree.

#### ARTICLE 2

In the case of bills of exchange and cheques which are affected by this prohibition, the time of payment shall be postponed and the time limits for presentation and for protest extended until further notice.

#### ARTICLE 3

The provisions contained in Articles 1 and 2 shall not apply to payments made in Austria to nationals of the States mentioned in Article 1 who are domiciled in Austria, nor shall they apply to the settlement in Austria of claims which have arisen in favour of the nationals of such States in the course of carrying on their business establishments in Austria.

Remittances for the maintenance of nationals of the Austro-Hungarian Monarchy shall still be permitted.

#### ARTICLE 4

The Minister of Finance, in consultation with other Ministers concerned, may permit exceptions to the prohibition contained in Article 1.

#### ARTICLE 5

No interest for delay may be charged for the period during which this Decree remains in force.

#### ARTICLE 6

The debtor may free himself from liability by depositing the money or securities which he owes with the Austro-Hungarian Bank or the Post Office Savings Bank.

#### ARTICLE 7

Any person who makes a payment in contravention of this Decree shall be liable to the penalties provided for in Article 2 of the Imperial Edict of the 16th October, 1914.

#### ARTICLE 8

This Decree shall come into force upon the date of its publication.

DECREE OF THE MINISTER OF FINANCE, IN CONSULTATION WITH THE MINISTER FOR PUBLIC WORKS, OF THE 28<sup>TH</sup> OCTOBER, 1914, MAKING CERTAIN EXCEPTIONS TO THE PROHIBITION AGAINST PAYMENTS TO GREAT BRITAIN AND FRANCE

By virtue of Article 4 of the Ministerial Decree of the 22nd October, 1914, relating to the Prohibition of Payments to Great Britain and France, it is hereby ordered that payments which are necessary for the acquisition or preservation of rights in respect of patents, designs, or trade marks in Great Britain and Ireland or in the British Colonies and Possessions, or in France or her Colonies, shall be permitted until further notice.

This Decree shall come into force upon the date of its publication.



## CHAPTER IV

### SUPERVISION, AND COMPULSORY ADMINISTRATION OF ENEMY PROPERTY IN AUSTRIA

#### MINISTERIAL DECREE OF THE 22ND OCTOBER, 1914, RELATING TO THE SUPERVISION OF FOREIGN UNDERTAKINGS

By virtue of Article 1 of the Imperial Edict of the 16th October, 1914, it is ordered as follows :

##### ARTICLE 1

By virtue of the right of retaliation, undertakings or branches of undertakings carrying on business in territory within which this Decree is operative, which are either conducted or controlled from enemy countries, and likewise undertakings the profits of which have to be credited wholly or in part to enemy countries, may, at the expense of the undertakings in question, be placed in charge of Supervisors whose duty it shall be, while protecting the property and other private rights of the undertaking, to see that during the War its business is not conducted in a manner which conflicts with Austrian interests.

##### ARTICLE 2

The Supervisors are in particular authorized—

1. To demand information with regard to all business matters.
2. To inspect the books and documents of the undertaking, and to examine the state of its finances and its assets in securities and stocks.
3. To prohibit business measures of every kind, and in particular the disposal of property and communications with regard to business matters.

##### ARTICLE 3

The managers and employees of the undertakings must comply with all measures taken and instructions issued by Supervisors for the purpose of carrying out the work of supervision.

## ARTICLE 4

Money or other property belonging to an undertaking which has been placed under supervision may not be credited or transferred, either directly or indirectly, to enemy countries.

The Supervisors may permit exceptions to this rule. They may in suitable cases order that money or securities, the crediting or transfer of which is prohibited by paragraph 1, shall be deposited with the Austro-Hungarian Bank or the Post Office Savings Bank for account of the person entitled thereto.

## ARTICLE 5

This Decree shall come into force upon the date of its publication.

MINISTERIAL DECREE OF THE 7<sup>TH</sup> OCTOBER, 1915,  
RELATING TO THE SUPERVISION OF UNDERTAKINGS AND REAL ESTATE

By virtue of Article 1 of the Imperial Edict of the 16th October, 1914, it is ordered as follows :

## ARTICLE 1

In exercise of the right of retaliation, undertakings or branches of undertakings carrying on business in territory within which this Decree is operative, if they are conducted or controlled from enemy countries, or if their profits have to be credited wholly or in part to enemy countries, or if their capital belongs wholly or in part to the nationals of enemy countries, irrespective of where such nationals are domiciled, may, by Ministerial Decree, be placed under special supervision.

Such supervision may be imposed without proceedings and without reasons being furnished.

## ARTICLE 2

The application of this Decree shall not be excluded by the fact that, for the purpose of concealing relations with enemy countries, nationals of other States, or Austrian nationals are put forward as covers, or by the fact that, since the outbreak of war with the enemy State in question, changes in the interests in the undertaking have been effected, or by the fact that since that date the undertaking, or the conduct thereof, has been transferred to other persons.

## ARTICLE 3

For the purposes of this Decree Supervisors shall be appointed, at the expense and risk of the undertaking, whose duty it shall be to insure that the business is conducted during the War in a manner consistent with Austrian interests.

The Supervisor is in particular authorized—

1. To require information with regard to all business matters.
2. To inspect the books and documents of the undertaking and to examine its assets in cash and securities.
3. To receive from the Post Office, on behalf of the undertaking, all postal packets addressed to it.
4. To prohibit business measures of every kind, including the disposal of property and communications with regard to business matters.
5. To order that the undertaking shall prosecute in the courts its claims under the civil law.
6. To order that money or securities, the crediting or transfer of which to enemy countries is forbidden, shall be deposited for account of the party entitled thereto with the Austro-Hungarian Bank or with the Post Office Savings Bank or with any other Austrian banking institution.
7. To withdraw powers of procuration and agency.

The Supervisor is not authorized to represent the undertaking, either before the Courts or otherwise.

#### ARTICLE 4

The directors and employees of the undertaking must comply with all measures taken and instructions issued by the Supervisor.

#### ARTICLE 5

If in the case of an undertaking placed under supervision there is no manager or employee available in Austria who is authorized to perform juristic acts on behalf of the undertaking, or if the manager or employee so authorized does not attend to the business of the undertaking, or fails to comply with the instructions of the Supervisor, a Manager shall, upon the application of the Supervisor, be appointed.

#### ARTICLE 6

In the case of undertakings which are on the Commercial Register, the Manager shall be appointed by the Commercial Court or by the Commercial and Maritime Court (Commercial Senate of the Communal or State Courts); in the case of other undertakings, he shall be appointed by the Court of First Instance within whose jurisdiction the undertaking has its place of business.

With regard to the selection of the Manager, the Supervisor shall be heard.

If the supervised undertaking has been entered in the Commercial Register, the appointment of the Manager must likewise be officially entered in that Register.

It is for the Court to revoke the appointment of the Manager upon the application of the Supervisor.

For the purpose of appointing and removing the Manager, the procedure applicable to non-litigious matters shall be followed.

#### ARTICLE 7

The power of agency of the Manager shall extend to the business transactions and juristic acts specified in Article 47, paragraphs 1 and 2, of the Commercial Code.

He must conduct the business of the supervised undertaking with the care of a competent business man.

#### ARTICLE 8

The Manager shall have a right to reimbursement in respect of cash expenses and to a suitable remuneration for his services. The amounts shall be determined by the Court which has appointed him after hearing the Supervisor, and shall be thenceforward paid to him monthly by the supervised undertaking.

The Manager must, like a director or employee (see Article 4), comply with the measures and instructions of the Supervisor.

As long as the undertaking remains in the charge of a Manager, the power of every agent, director, or employee to represent the undertaking shall remain in abeyance.

The Manager must, when signing, add his name to the style of the firm, and after his name describe himself as "Manager."

#### ARTICLE 9

Supervised undertakings may, with the consent of the Supervisor, enforce their legal rights before the Courts without being bound to prove reciprocity.<sup>1</sup>

The consent of the Supervisor must be proved at the time the plaint is lodged.

#### ARTICLE 10

Claims for damages by the owner of the undertaking or a person interested therein against the Supervisor or the Manager may not be brought without the consent of the Authority which has ordered the supervision.

Such consent shall be granted if there is evidence of a culpable breach of duty. There shall be no right of appeal either against the grant or refusal of such consent. In so far as the consent is not granted, legal proceedings shall be inadmissible.

#### ARTICLE 11

Directors, employees, and Managers who fail to comply with the measures taken and the instructions issued by the Supervisor may be punished by the Administrative Authorities of First Instance with a fine not exceeding 1,000 kronen, or with imprisonment for a period not exceeding fourteen days.

<sup>1</sup> This presumably means reciprocal treatment of supervised Austrian undertakings by the Courts of the enemy country in question.

## ARTICLE 12

The provisions of Article 1 et seq. shall also apply to houses, estates, and land.

## ARTICLE 13

The provisions of this Decree shall also, without any fresh order establishing supervision, apply to those undertakings which have been placed under supervision by virtue of the Ministerial Decree of the 22nd October, 1914.

## ARTICLE 14

This Decree shall come into force upon the date of its publication. The Ministerial Decree of the 22nd October, 1914, shall cease to be in force as from that date.

MINISTERIAL DECREE OF THE 29TH JULY, 1916, WITH  
REGARD TO THE COMPULSORY ADMINISTRATION  
OF UNDERTAKINGS AND PROPERTY

By virtue of the Imperial Edict of the 16th October, 1914, it is ordered as follows :

## ARTICLE 1

In exercise of the right of retaliation, undertakings or branches of undertakings carrying on business in territory within which this Decree is operative, which are conducted or controlled from enemy countries or the profits of which have to be credited wholly or in part to enemy countries, or the capital of which belongs wholly or in part to the nationals of enemy countries, irrespective of where such nationals are domiciled, may, by Ministerial Decree, be placed under compulsory administration.

Compulsory administration may be ordered without preliminary proceedings and without any reason being given therefor.

## ARTICLE 2

The application of this Decree shall not be excluded by the fact that, for the purpose of concealing relations with enemy countries, nationals of other States, or Austrian nationals, are put forward as covers, or by the fact that, since the outbreak of war with the enemy State in question, changes in the interests in the undertaking have been effected, or by the fact that since that date the undertaking, or the conduct thereof, has been transferred to other persons.

## ARTICLE 3

For the purpose of carrying out the compulsory administration of an undertaking, an Administrator shall be appointed at the expense and at the risk of the undertaking. The Administrator



must place himself in possession of the undertaking. He shall be authorized to perform all juristic acts on behalf of the undertaking. He may carry on the undertaking either wholly or in part, or may confine himself to the winding-up of current transactions.

After the winding-up of current transactions, the Administrator may, in the case of a Company or partnership which has its place of business in Austria, upon application by an Austrian member or partner, with the consent of the Government dissolve the Company or partnership.

#### ARTICLE 4

During the period of administration, the powers of the owner of the undertaking and the powers of all other persons to perform juristic acts on behalf of the undertaking shall remain in abeyance. The same shall apply to the powers of all organs of the undertaking.

If the undertaking is on the Commercial Register, an official entry must be made therein with respect to the appointment of the Administrator, and likewise with respect to the discontinuance of the administration.

The Administrator shall, when signing, add his name to the former style of the undertaking, followed by the word "Administrator."

#### ARTICLE 5

Undertakings which have been placed under compulsory administration may, through the Administrator, enforce their claims under private law before the Courts without being bound to prove reciprocity.<sup>1</sup>

#### ARTICLE 6

The dissolution or sale of an undertaking which has been placed under compulsory administration may at any time be ordered by Ministerial Decree.

#### ARTICLE 7

Surplus profits resulting from the carrying on of an undertaking which has been placed under compulsory administration shall, in so far as enemy nationals are concerned, be deposited for account of the latter with the Austro-Hungarian Bank or with the Post Office Savings Bank, or with some other Austrian Banking Institution. If the enemy national in question is resident in Austria, the payment out to him of such sums as may be necessary for his maintenance may be sanctioned by Ministerial Decree.

<sup>1</sup> This presumably means reciprocal treatment of supervised Austrian undertakings by the Courts of the enemy country in question.

## ARTICLE 8

Claims for damages by the owner of the undertaking, or by a person interested therein, against the Administrator may not be brought without the consent of the Authority which has ordered the compulsory administration.

Such consent shall be granted if there is evidence of a culpable breach of duty. There shall be no right of appeal against the grant or refusal of the consent. In so far as the consent is withheld, legal proceedings shall be inadmissible.

## ARTICLE 9

The provisions of Article 1 et seq. shall apply also to houses, estates, and pieces of land, and to all other classes of property and rights in respect thereof.

## ARTICLE 10

This Decree shall come into force upon the date of its publication.

## CHAPTER V

### NOTIFICATION AND EMBARGO

MINISTERIAL DECREE OF THE 1<sup>ST</sup> MARCH, 1915, RELATING TO THE NOTIFICATION OF MONEY OR SECURITIES BELONGING TO NATIONALS OF GREAT BRITAIN, FRANCE, AND RUSSIA, OR TO PERSONS WHO HAVE THEIR DOMICILE OR PLACE OF BUSINESS IN THOSE TERRITORIES, AND OF CLAIMS BY SUCH NATIONALS OR PERSONS.

By virtue of paragraph 1 of the Imperial Edict of the 16th October, 1914, relating to Legal and Economic Measures of Retaliation arising out of the Present War, it is ordered as follows :

#### ARTICLE 1

All property in money or securities belonging to nationals of Great Britain and Ireland, France and Russia, including their Colonies and Possessions, or to persons who have their domicile or place of business in those countries, and claims of every kind by such nationals or persons against undertakings carrying on business in Austrian territory, or against public bodies or other corporations or individuals must be notified by such undertakings, bodies, corporations, or individuals, to the Ministry of Finance within fourteen days.

#### ARTICLE 2

The obligation to notify shall not apply to the following :

1. Property and claims amounting to less than 500 kronen, 500 francs, £20, or 200 roubles ; in the case of recurrent payments (annuities, maintenance contributions, etc.) regard shall be had to the amount payable each year.
2. Property belonging to and claims by nationals of the States referred to in Article 1, who have their domicile or place of business in Austrian territory.
3. Claims which have been acquired by nationals of those States in the course of carrying on the business of their establishments in Austria and which have to be settled in Austria.

## ARTICLE 3

The notifications must contain, in tabular form, the name and address of the creditor and of the debtor, the amount due and the legal foundation of the claim. They shall be marked on the cover "In compliance with official requirements," and may be transmitted postage free.

## ARTICLE 4

Persons who omit to notify or make incomplete or false statements shall be liable to the penalties imposed by the Ministerial Decree of the 13th September, 1857, in so far as they are not liable to the severer penalties imposed by Article 2 of the Imperial Edict of the 10th October, 1914.

## ARTICLE 5

This Decree shall come into force upon the date of its publication.

MINISTERIAL DECREE OF THE 31ST OCTOBER, 1917,  
WITH REGARD TO THE NOTIFICATION OF AND  
EMBARGO UPON THE PROPERTY IN AUSTRIA OF  
ENEMY NATIONALS, AND WITH REGARD TO THE  
NOTIFICATION OF THE PROPERTY IN ENEMY  
COUNTRIES OF AUSTRIAN NATIONALS

By virtue of Article 1 of the Law of the 24th July, 1917, it is ordered as follows :

## ARTICLE 1

The property in Austria of nationals of enemy States and the property in enemy countries of Austrian nationals shall be notified in accordance with the terms of this Decree.

Juridical persons and associations shall, for this purpose, be treated as nationals of the State, Colony, or Possession within whose territory they have their place of business. An undertaking situate in neutral territory, whose capital belongs to enemy nationals, shall be treated as an undertaking situate in an enemy country.

In cases of doubt, a person shall be treated as a national of the State, Colony, or Possession within whose territory he has his domicile or place of business.

The following shall be regarded as enemy States for the purposes of this Decree, viz. :

Belgium, Great Britain and Ireland, France, Italy, Portugal, Roumania, Russia, and Serbia, including their Colonies and Possessions. The Kingdom of Poland shall not be treated as an enemy country.

## ARTICLE 2

The property of enemy nationals which is notifiable under the terms of this Decree shall include in particular interests in an undertaking which has its place of business in Austria, and claims of all kinds founded on the law of property if they are against persons having their domicile or place of business in Austria; the property of Austrian nationals so notifiable shall include interests in an undertaking which has its place of business in an enemy country, and claims of all kinds founded on the law of property if they are against persons having their domicile or place of business in an enemy country.

## ARTICLE 3

The following are not notifiable :

1. Obligations of sureties and of persons liable by way of recourse, unless the event which makes the surety liable or gives the right of recourse has already arisen.
2. Insurance premiums, and obligations which involve the payment of insurance money are only notifiable if the event insured against has arisen.
3. Copyrights and rights to the protection of industrial property, without prejudice to the notification of any claims founded on the law of property which may have arisen out of such rights.
4. Sea-going ships.

## ARTICLE 4

Enemy nationals resident in Austria—with the exception of prisoners of war—must notify their property in Austria in the manner indicated in the notification form “A.”

## ARTICLE 5

Any person who has the management or custody of property in Austria belonging to an enemy national or to an undertaking situate in an enemy country must notify such property in the manner indicated in the notification form “B.”

## ARTICLE 6

Any person who owes to an enemy national resident outside Austria, or to an undertaking situate in an enemy country, any debt in money, securities, or goods, must notify the amount or subject-matter thereof in the manner indicated in the notification form “C.” Only those natural or juridical persons who have their domicile or place of business in Austria are liable to notify.

## ARTICLE 7

The directors or managers of an undertaking situate in Austria in which enemy nationals are interested must notify the nature



and extent of such enemy interest in the manner indicated in the notification form "D." The holding of shares shall be treated as an interest within the meaning of this Decree; such holding shall be notified in so far as the directors and managers are aware whether and to what extent the shares of the undertaking are in the possession of enemy nationals.

#### ARTICLE 8

The property in enemy countries of Austrian nationals and of juridical persons, companies, and partnerships in Austrian territory must be notified by the owners or their representatives in the manner indicated in the notification form "E."

#### ARTICLE 9

For the purpose of notification in accordance with Articles 4, 5, 6, 7, and 8, official notification forms must be used similar to the sample forms (A, B, C, D, and E) annexed as an appendix hereto, which may be purchased from the Chambers of Commerce.<sup>1</sup> The forms, when filled in, may be posted free of charge.

#### ARTICLE 10

Without prejudice to any special regulations made under Article 17 of this Decree, regard shall be had, for the purposes of notification, to the circumstances as they existed on the 30th June, 1917, or, in the case of notifications to be made under Article 8, to the circumstances as they existed at the outbreak of war.

The notifications shall be made to the Chamber of Commerce (Notification Office) within whose district the person liable to notify has his domicile or place of business, and shall be forwarded by the Notification Office to the "Office for the Protection of Austrian Property Abroad" in Vienna.

Austrian nationals who have their domicile outside Austria should send their notification direct to the Protection Office.

The notification must be effected on or before the 31st December, 1917; the person liable to notify may, upon application, be granted an extension by the competent Notification Office.

#### ARTICLE 11

Every person is bound, at the request of the competent Notification Office, to furnish within the period prescribed by such Office a declaration indicating whether he holds any property which he is liable to notify, and to supplement such declaration or notification with fuller particulars.

<sup>1</sup> It has not been thought necessary to reproduce these forms.

## ARTICLE 12

The working out of the notifications by the Protection Office shall be carried out in accordance with the instructions of the Minister for Home Affairs.

Persons engaged in receiving or working out notifications are bound to observe secrecy with regard to all matters which are brought to their knowledge by means of the notification. The notifications shall not be used for the purpose of assessing taxes and dues.

## ARTICLE 13

No property in Austria of enemy nationals (Article 1), nor claim appertaining thereto, may, after the coming into force of this Decree, be sold, transferred, or charged by means of juristic transactions *inter vivos* without the consent of the Minister for Home Affairs and of the other Ministers concerned.

Any juristic transaction which contravenes this provision shall be null and void.

## ARTICLE 14

The restrictions indicated in Article 13 shall not apply to the following :

1. The property of enemy nationals resident in Austria ;
2. Single articles of property belonging to enemy nationals, which form part of a business situate in Austria ;  
Provided that in either case the sales, transfers, or charges involved are in favour of persons who are resident in Austria.
3. Property subject to special supervision or compulsory administration.

## ARTICLE 15

Property belonging to enemy nationals, in particular securities and money, may not be transmitted, either directly or indirectly, out of Austria without the consent of the Minister for Home Affairs and of the other Ministers concerned.

Cases in which a licence has been granted under the Decrees prohibiting payments shall be excepted from this provision.

## ARTICLE 16

The Minister for Home Affairs shall act as Chief Supervisor over all property situate in Austria belonging to the nationals of enemy countries.

In the exercise of this right of supervision, the Minister for Home Affairs is in particular authorized—

1. To collect from the owners of enemy property, or their representatives, and from all persons who are entrusted with the management, custody, or supervision of such property, or take part therein, information with respect to the management or user of the property, and at any time to have the state of the property investigated.
2. In consultation with the Ministers concerned :
  - (a) To issue instructions with regard to the management of enemy property which has not been placed under supervision or compulsory administration, and to order the sale of such property.
  - (b) To make special regulations with regard to the depositing, calculating, management, and disposal of the profits in respect of enemy property and of the proceeds resulting from the sale thereof.

The costs involved by the exercise of this right of supervision shall be borne by the enemy property subjected thereto, and shall be defrayed out of the same in accordance with the regulations of the Minister for Home Affairs.

#### ARTICLE 17

If property situate in Austria has been sold, transferred, or charged by a Belgian, British, French, Russian, or Serbian national since the 31st July, 1914 ; by an Italian national since the 15th May, 1915 ; by a Portuguese national since the 28th February, 1916 ; or by a Roumanian national since the 15th August, 1916, and if there are grounds for assuming that the property has been so sold, transferred, or charged for the purpose of evading Austrian measures of reprisal, the Minister for Home Affairs, in consultation with the other Ministers concerned, may order that the sale, transfer, or charge shall, for the purposes of this Decree, be treated as null and void.

#### ARTICLE 18

The provisions of this Decree with regard to the notification of enemy property shall not apply to property under the management or custody of a State Authority, or to debts due by such Authority.

#### ARTICLE 19

Contraventions of this Decree shall render the offender liable to the penalties specified in Article 2 of the Law of the 24th July, 1917.<sup>1</sup> These penalties may be imposed simultaneously.

#### ARTICLE 20

The wider provisions contained in the Decrees prohibiting payments shall not be affected by this Decree.

<sup>1</sup> RGBI No. 307.

## ARTICLE 21

This Decree shall come into force upon the date of its publication.

The Ministerial Decree of the 1st March, 1915, relating to the Notification of Money or Securities belonging to Nationals of Great Britain, France, and Russia, or to Persons who have their Domicile or Place of Business in those Territories, and of Claims by such Nationals or Persons, is hereby repealed. Persons who have furnished notifications under that Decree shall not be exonerated from the duty of notification in accordance with the terms of the present Decree.

## CHAPTER VI

### INDUSTRIAL PROPERTY

#### MINISTERIAL DECREE OF THE 16TH AUGUST, 1916, WITH REGARD TO MEASURES OF RETALIATION AFFECTING THE PROTECTION OF INDUSTRIAL PROPERTY

By virtue of Article 31 of the Patent Law of 11th January, 1897 (*Imperial Law Gazette*, No. 30), and of Article 1 of the Imperial Edict of the 16th October, 1914, relating to Legal and Economic Measures of Retaliation arising out of the War, it is, by virtue of the right of retaliation, ordered as follows :

#### ARTICLE 1

1. The Minister of Public Works may, in the public interest, upon application, order the restriction or cancellation of rights in respect of Patents, Designs, and Trade-marks which belong to nationals of France or Great Britain. He may, in particular, grant to other persons rights of user in respect thereof under such conditions as he may think fit to impose.

2. Such Order may at any time be modified or withdrawn. It shall come into force on the date upon which it is made unless some other date is fixed. It may be made retrospective. It shall be operative also against the successors in law of the party (i.e. of the owner of the patent or the person entitled to the design or trade-mark) against whom it is directed.

3. Any transfer to other persons of the right of user so granted shall require the consent of the Minister for Public Works in order to make it valid. This consent shall not be necessary if the right of user is transferred to the Military or Administrative Authorities, or is transferred by them to other persons.

4. Claims against the persons in whose favour the Order has been made which arise out of the grant of rights of user may be enforced at law by the Administrative Authorities.

5. Sums of money, which become due by virtue of the Order, shall be paid to the Patent Office. The Minister of Public Works, in consultation with the Minister of Finance, shall order in what manner such sums are to be dealt with.



## ARTICLE 2

1. The Minister of Public Works may, upon application, order the restriction or cancellation of patents which belong to Russian nationals. He may, in particular, grant to other persons rights of user in respect thereof under such conditions as he may think fit to impose.

2. The provisions of Article 1, paragraphs 2 to 5, shall apply.

## ARTICLE 3

1. An application under Articles 1 or 2 shall be rejected if it is shown—

(i) That a person who is not a national of one of the enemy countries referred to in Articles 1 and 2 has a joint interest in the right in question; or

(ii) That a right of user has been granted to a person who is not a national of any of those States, to the exclusion of other persons having rights of user :

And that the afore-mentioned conditions (i.e. those specified under i and ii) existed before the date of the outbreak of war with the State in question (see Article 8).

2. The existence of such right of user may be notified to the Ministry of Public Works in order that regard may be had thereto in the case of any decision in respect of an application under Articles 1 or 2.

## ARTICLE 4

1. The Minister of Public Works may, in the public interest, upon application, order the cancellation of rights of user held by nationals of France, Great Britain, and Russia in respect of patents.

2. Such an Order shall come into force upon the date upon which it is made, unless some other date is fixed. It may be made retrospective.

## ARTICLE 5

As regards the procedure in connexion with applications under Articles 1, 2, and 4, it is ordered as follows :

1. The application shall be in writing and shall be lodged with the Ministry of Public Works.

2. The application, unless made by the Military Authorities or by the Government, shall be subject to a duty of 50 kronen in respect of every right to which it relates. This duty shall be paid to the Patent Office.

3. Unless the Minister of Public Works decides to reject the application without further proceedings, the owner of the right shall be furnished with a copy of the application and of the documents annexed thereto, in order that he may furnish his observations thereon within a specified period. The applicant

must lodge the necessary number of copies of the application and of the documents annexed thereto. If the owner of the right has no domicile or place of business in Austria, and has no known representative resident in Austria, the application may be adjudicated upon without his having been heard.

4. The proceedings in respect of evidence shall be governed by the rules of evidence applicable in the case of disputed patents. The conduct of such proceedings may be left wholly or in part to the Patent Office. In this case, the Controller to the Patent Office shall appoint a member of that Department, who shall conduct the proceedings.

5. The length of the official time limits shall be a matter of discretion.

6. The Ministerial Decree of the 15th September, 1914 (*Imperial Law Gazette*, No. 245), shall not apply.

7. If any notice has to be served upon a person who is not resident in Austria, or whose place of residence is unknown, an order may be made for the publication in the Austrian *Patent Gazette* of the material contents of the notice to be served. Such publication shall have the same effect as service.

8. The proceedings relating to an application for the cancellation of a right may be officially continued after the withdrawal of the application.

9. No costs shall be allowed to the parties concerned either in respect of the proceedings or of representation.

10. The application and the final decision with regard thereto, likewise the transfer of the right of user, must be noted in the Register (Register of Patents, Designs, and Trade-marks), and published in the Austrian *Patent Gazette*, and also, in the case of trade-marks, in the *Central Trade-mark Gazette*.

## ARTICLE 6

1. The granting of patents to nationals of France, Great Britain, Italy, and Russia shall be deferred. Applications for patents by nationals of such States shall be accepted.

2. The Controller of the Patent Office may determine whether and at what point, without prejudice to the provision contained in paragraph 1, proceedings shall be discontinued in respect of patent applications by nationals of the States referred to in paragraph 1, or in respect of other matters already pending in the Patent Office, in which nationals of those States are concerned.

3. The registration of designs and trade-marks in favour of nationals of France, Great Britain, Italy, and Russia shall be deferred. Applications for the registration of designs and trade-marks by nationals of those States shall be accepted.

4. These provisions shall not apply to patent, design, and trade-mark applications in which persons who are not nationals of any of the States referred to in paragraphs 1 and 3 are interested as joint applicants, provided their legal interest arose before

the date of the outbreak of war with the State in question (see Article 8).

#### ARTICLE 7

1. The provisions of this Decree shall apply also to rights and applications which have been transferred by nationals of the enemy States in question to nationals of other States, or to Austrian nationals, after the date of the outbreak of war with the State concerned (see Article 8).

2. The application of the provisions of this Decree shall not be excluded by the fact that, for the purpose of concealing the enemy nationality of the person interested, a national of some other State or an Austrian national is put forward as a cover for such person.

#### ARTICLE 8

The 5th August, 1914, shall be regarded as the date of the outbreak of war with Russia, the 13th August, 1914, as the date of the outbreak of war with France and Great Britain, and the 24th May, 1915, as the date of the outbreak of war with Italy.

#### ARTICLE 9

The nationals of the Colonies and Possessions of the enemy States named in this Decree shall be treated as nationals of such enemy States.

#### ARTICLE 10

1. A person shall, if no other nationality is proved, be deemed to be a national of the State, Colony, or Possession in which he has his domicile.

2. Juridical persons and associations shall be treated as nationals of the State, Colony, or Possession in whose territory they have their place of business.

3. In so far as the rights specified in paragraphs 1, 2, and 4 are concerned, undertakings and branches of undertakings carrying on business in territory within which this Decree is operative, which are conducted or controlled from France, Great Britain, or Russia, or their Colonies or Possessions, or the profits of which are payable wholly or in part to those States or their Colonies or Possessions, or the capital of which belongs wholly or in part to the nationals, wherever domiciled, of those States or of their Colonies or Possessions, shall be treated as nationals of those States.

#### ARTICLE 11

This Decree shall come into operation upon the date of its publication. The Minister of Public Works shall have power to repeal it wholly or in part.

PART III

*TREATMENT OF ENEMY PROPERTY RIGHTS  
AND INTERESTS IN THE UNITED KINGDOM  
DURING THE WAR*





## CHAPTER I

### INTRODUCTION

THE war legislation of Great Britain affecting commercial intercourse with the enemy and the treatment of enemy property in the United Kingdom is mainly embodied in the Trading with the Enemy Laws and Proclamations, which will be found on pp. 123-201. The purpose of this introduction is to provide a brief and connected survey of those enactments and, in so far as they are not self-explanatory, to indicate their scope and object.

The first stage in the economic war against the Central European Powers was marked by a series of measures, the aim of which was to prevent the transmission of supplies and funds to enemy countries, and to restrict and control the activities of enemy concerns in the United Kingdom, through whose agency it seemed likely that financial assistance might be indirectly conveyed to enemy countries.

*Measures restricting Financial and Commercial Intercourse with Enemy Countries.*—On the 5th and 12th August and 9th September, 1914, Proclamations were issued warning the public that certain transactions were unlawful (see pp. 173-7). These Proclamations purported to be merely declaratory of the Common Law. They provided no means of prosecuting offences and specified no penalties. The Proclamations of 5th and 12th August went no further than to prohibit the conclusion of new contracts, or the sale to or purchase from enemy countries of "goods, wares, and merchandise." They did not prohibit payments for goods already delivered or services already rendered by an enemy before the outbreak of war (see Treasury Announcement of 22nd August, 1914, on p. 176.) The Proclamation of 9th September declared it unlawful to make any payment to or for the benefit of an enemy, or to enter into any contract or obligation whatsoever with or for the benefit of an enemy. It defined the term "enemy" as "any person or body of persons of whatever nationality resident or carrying on business in the enemy country." An Englishman in Germany was an "enemy,"

but a German outside Germany was not necessarily such for the purposes of this Proclamation.

The general principle affecting commercial intercourse with enemies had been clearly set out by Willes J. in the case of *Esposito v. Bowden*, which came before the Courts in 1857 (see *Ellis and Blackburn's Reports*, vol. vii, p. 779). "It is now," he said, "fully established that, the presumed object of war being as much to cripple the enemy's commerce as to capture his property, a declaration of war imports a prohibition of commercial intercourse and correspondence with the inhabitants of the enemy's country, and that such intercourse, except with the licence of the Crown, is illegal." In the case of *Janson v. the Drieffontein Consolidated Mines, Ltd.* (1902, *Law Reports*, Appeal Cases (H. of L.), p. 509), Lord Lindley in the course of his judgment said: "War produces a state of things giving rise to well-known special rules. It prohibits all trading with the enemy, except with the Royal licence, and dissolves all contracts which involve such trading."

From the standpoint of civil law, the position as regards commercial intercourse with the enemy was therefore clearly established; but from the standpoint of criminal law, it was by no means so satisfactorily defined.

Under the Treason Act, 1351,<sup>1</sup> any person who "adheres to the King's enemies" by giving them "aid or comfort" is guilty of treason, but at the outbreak of the war nobody knew precisely what acts were contemplated by the words "aiding and comforting" an enemy or what penalties they involved. Even the most learned lawyers had no very clear conception of the extent and limits of their application to the complex conditions of modern commerce. The current textbooks contained no such title as "Trading with the Enemy," and afforded little, if any, enlightenment on the subject. There was, moreover, no machinery for prosecuting such an offence except the elaborate machinery of a trial for treason. In earlier wars the conditions were such as to render commerce with the enemy on any extensive scale a physical impossibility. The facilities for conveying financial assistance to the enemy by wireless and cable did not exist, and a vigilant navy was alone sufficient to prevent the movement of merchandise from these islands to enemy countries on the Continent; but in 1914 these conditions had been entirely changed. The cosmopolitan character of commerce and the swift and intangible methods by which its operations were

<sup>1</sup> "Statute of Treasons," 25 Edw. 3, st. 5, c. 2.

effected had created a very real danger that financial and commercial transactions for enemy benefit might be carried out by disloyal persons or enemy-controlled firms in this country, on a scale that might seriously prejudice the national interests.

*Trading with the Enemy Act of 1914.*—On the 18th September, 1914, the first Trading with the Enemy Act was passed (see p. 123). It provided that any person who contravened the prohibitions contained in the Trading with the Enemy Proclamations, past and future, should be deemed to have committed the offence of “Trading with the Enemy,” and should be liable to prosecution, either before a Court of Summary Jurisdiction or upon indictment, and it laid down the penalties for that offence (see Section 1). It gave the Board of Trade extensive powers with regard to the inspection of books and documents, examination of persons and search of premises in any case where there were reasonable grounds for suspecting that an offence of the kind had been or was likely to be committed, and more particularly in the case of businesses in which there was an enemy partner or a large enemy interest, or which were being carried on by agents in this country on behalf of enemies (see Section 2). It also empowered the Board of Trade to apply to the High Court for the appointment of a Controller, in the case of any firm or company which had committed or was thought likely to commit an offence against the Act and Proclamations or the further continuance of whose business had been rendered impossible by the war, but was nevertheless considered desirable in the national interest (see Section 3).

*Enemy Banks.*—Concurrently with the legislation above described, special measures were instituted against enemy banking enterprises in this country. The Aliens Restriction No. 2 Order in Council of 10th August, 1914 (see p. 202), prohibited alien enemies from carrying on banking business except under licence. Under that order licences were issued by the Home Office to the German and Austrian banks on 10th August, 1914, and 13th August, 1914, respectively (see p. 203), permitting those banks to carry on banking business in the United Kingdom under Treasury supervision solely for the purpose of completing pre-war transactions, i.e. the collection and realization of assets and the settlement of obligations already incurred. The licences provided that surplus assets remaining after existing liabilities had been in so far as possible discharged should be deposited with the Bank of England to the order of the Treasury. Doubts having arisen



as to the liabilities of the banks which might be met by the London branches, amended licences were issued both to the German and Austrian banks on September 19th, 1914 (see p. 204), defining more precisely the liabilities which might be discharged, and making it clear that they included only those which would ordinarily have been discharged by or through the London branches, and not those which would ordinarily have been discharged by other establishments of the banks in question.

Under the licences the payment of cheques held in this country which had been drawn before the war by enemy customers was not permitted, the banks being under no legal liability in respect thereof to the holders. In cases, however, where cheques had been drawn before the war by the Head Offices on the London branches, payment was permitted under the licences on the ground that the liability in such circumstances was a liability of the banks themselves which would ordinarily have been discharged through the London branches.

Owing to the prohibition against Payments to Enemies, a somewhat anomalous situation arose as regards the payment of dividends due on securities held by the London branches of enemy banks on behalf of British or neutral clients. These securities were in many cases registered in the names of the Head Offices as nominees of the real owners, and the latter, therefore, could not claim their dividends or obtain the release of their shares. To obviate this hardship, a special licence was issued by the Home Office on 14th October, 1914, which will be found on p. 205. Further, the collection of coupons in the hands of the banks belonging to enemy customers was authorized by licences issued on the 3rd and 30th July, 1915, (see p. 206), on the understanding that the proceeds thereof should be accounted for to the Custodian of Enemy Property.

Treasury directions to compel the Management of the London branches of the enemy banks to press for the realization of debts and to expedite the payment of liabilities and the disposal of securities were given on the 13th January, 1916.

After the general operations of the banks as defined by the existing licences had been thus brought within the narrowest possible compass, amended licences were issued to the Deutsche Bank on the 13th November, 1916, and to the Dresdner Bank and Disconto Gesellschaft on the 28th September, 1917 (see p. 206), more specifically setting out the particular operations to which their activities were henceforward to be limited.

The disposal of securities in the hands of the banks, which were valued at many millions of pounds, proceeded on the following lines :

- (a) Those belonging to non-enemies were released subject to payment of any indebtedness.
- (b) Those belonging to enemies, and free of lien, were vested in the Custodian of Enemy Property. In cases where liens existed the securities were retained by the banks to be realized to the extent necessary to cover the liens, and any which remained over were transferred to the Custodian.
- (c) Those held for account of the Head Offices and branches were vested in the Custodian and transferred to him.

The operations of the banks under licence came to an end in July, 1918, when the Official Receiver in Companies' Liquidation was appointed Controller under the Trading with the Enemy Amendment Act, 1916, to wind up the banks.

The Turkish banks in this country were not wound up, but were permitted to carry on business under supervision throughout the war in accordance with the terms of the licences which will be found on pp. 208-10.

*Trading with the Enemy Amendment Act of 1914.*—It soon became apparent that the Trading with the Enemy Act of 18th September, 1914, and the earlier Proclamations had left several contingencies unprovided for, and several serious loopholes open to those who desired to evade their provisions.

The Proclamation of 9th September prohibited the payment of any sum to or for the benefit of an enemy, but contained no provision indicating how shares of profits due to enemy partners or dividends due to enemy shareholders were to be dealt with. It could be freely evaded by the transfer of enemy claims to neutral countries. An enemy shareholder had, for instance, only to transfer his share to a neutral, and the neutral transferee became entitled under the law to have himself registered as owner in the books of the company, on proof of the transfer. Bills of exchange accepted in this country and held by enemies could still be collected without difficulty, by the simple operation of endorsing them to neutrals. The Act and Proclamations, moreover, provided no means of detecting or preventing the payment of dividends to enemy collecting agents in this country, who were often the ostensible and registered owners of the shares.

On the 27th November, 1914, the first Trading with the Enemy Amendment Act was passed (see p. 127) which in-



validated assignments or transfers by enemies made during the War, and deprived the assignees or transferees of all rights and remedies in respect thereof (see Sections 6 and 8) against the persons liable to pay, except on proof that the assignment was made before 19th November, 1914. It further provided that any person who attempted or offered to trade with the enemy, or aided or abetted any other person in the United Kingdom or abroad to do so, should be deemed to be guilty of the offence of "Trading with the Enemy" as defined by the principal Act (see Section 10).

This Act created the Office of Custodian of Enemy Property (see Section 1). It directed the Board of Trade to appoint Custodians for England and Wales, for Scotland and for Ireland, and nominated the Public Trustee as Custodian for England and Wales. It provided that sums in the nature of dividends, interest, or share of profits due to an enemy should be paid to the Custodian, and that sums due on coupons suspected of being enemy property should be paid into the High Court (see Sections 2 and 7—also Rules in Appendix VIII, at p. 379). In order to meet cases in which enemy-controlled concerns might, for the purpose of evading the Act, deliberately refrain from declaring dividends or distributing profits, it provided that the Board of Trade or the Inspector appointed to examine the books and documents of the concern might, if necessary, determine the amount to be distributed or declare the appropriate dividend (see Section 2, Subsection 4). Section 3 provided for notification to the Custodian of all property held in trust for enemies, of all shares held by enemies in companies which were either incorporated or had their share-transfer or registration offices in this country, and of all enemy interests in partnership profits. Over 35,000 notifications were made under this Section.

The High Court was empowered under Section 4, upon application by the creditor of an enemy or by the Custodian or by any Government Department, to vest enemy property in the Custodian. Money paid to the Custodian under Section 2 and property vested in him under Section 4 were to be held by him, subject to the directions of the Board of Trade or of the High Court, until the termination of the War, and to be thereafter dealt with in such manner as His Majesty might by Order in Council direct (see Section 5). Money paid to the Custodian under Section 2 was not infrequently released by direction of the Board of Trade in cases where the circumstances were such as to justify this course (e.g. in the case of

repatriated British subjects who had hitherto been resident in Germany, and therefore "enemies" for the purposes of the Act).

Property held by the Custodian might not be attached or taken in execution, but the Custodian might, if so authorized by the Court, discharge out of it any debts due by the owner to persons or firms in the United Kingdom; and in order that British creditors might be able to ascertain whether there was any property in his hands belonging to their enemy debtors, he was required to keep a public register of the property which he held (see Section 5).

During 1915 and 1916 the Court not infrequently directed the sale of enemy property in order to satisfy the claims of British applicants to whom the owners were indebted, but after that date such orders were rarely made. The Act conferred upon the Board of Trade more extensive powers with regard to the appointment of Controllers than those contained in the previous one, and gave them practically unlimited discretion to apply to the Court in cases where they considered it advisable that such an appointment should be made (see Section 11). It also enabled them to appoint supervisors in the case of any business where the reports received from their Inspectors indicated that permanent supervision was necessary (see Section 12).

*Further Trading with the Enemy Proclamations.*—In paragraph 6 of the Proclamation of 9th September, 1914, it was provided that where an enemy had a branch in British, Allied, or neutral territory not being neutral territory in Europe, transactions by or with such branch should not be treated as transactions by or with an enemy. It was found, however, that this left a loophole open to enemies for financing and insuring their trade through their branches abroad by utilizing the credits of the latter in the United Kingdom, and further Proclamations were issued on 8th October, 1914, and 7th January, 1915 (see pp. 182, 186), prohibiting insurance or banking business with enemy branches generally, and business of any kind with branches of enemy banks.

The Trading with the Enemy (Occupied Territory) Proclamation of 16th February, 1915 (see p. 188), extended the application of the Trading with the Enemy Proclamations to territory certified to be in hostile occupation.

*Trading with the Enemy Extension of Powers Act of 1915.*—The legislation summarized above had effectively put an end to all trading transactions between persons in this country and persons in Germany; but owing to the territorial definition of the term "enemy," trade between a British firm in

this country and a German firm in a neutral country, either in Europe or America, did not necessarily involve a breach of any of these Laws or Proclamations. The ever-increasing efforts of Germany, moreover, to import supplies through neutral channels, and the number of neutral as well as German firms abroad who were ready to lend themselves to the furtherance of that purpose, rendered it exceedingly difficult for British firms to know with whom they might or might not safely trade. It was suggested in some quarters that these difficulties might be remedied by the simple process of changing the definition of the term "enemy." The objections to that course were twofold: in the first place, there were certain countries (e.g. in South America) in which trade was so entirely in the hands of Germans that, if nationality as distinct from residence had been made the determining factor, a complete cessation of British trade with those countries would have resulted; and, in the second place, the object in view could without difficulty be defeated by the use of neutral covers. The legislature took a course which seemed to offer the most effective method of meeting these difficulties, the course of prohibiting trade with firms which, from information supplied to the Government through its Intelligence Services, were known to be acting as intermediaries for enemy trade. On 16th March, 1915, the Trading with the Enemy Extension of Powers Act was passed,<sup>1</sup> which enabled His Majesty to establish by Proclamation a list of suspect traders in neutral countries, subsequently called the "Statutory List." Persons or firms placed upon that list were, for the purposes of the Trading with the Enemy Laws and Proclamations, assimilated to "enemies," i.e. trading with such persons and firms was subjected to the same prohibitions and penalties as trading with enemies. (For sample of Proclamation issued under this Act see p. 194.)

In the case of persons and firms of enemy nationality in China, Siam, Persia, and Morocco, in which countries the German communities were comparatively small and particularly active in financing German interests, more stringent and comprehensive action was found necessary, and by a Proclamation of 25th June, 1915 (see p. 189), all such persons and firms were assimilated to enemies. On 10th November, 1915 (see Proclamation of that date on p. 193), the same course was taken as regards persons and firms of enemy nationality in Liberia and Portuguese East Africa.

*Trading with the Enemy Amendment Act, 1915.*<sup>2</sup>—This Act,

<sup>1</sup> See p. 141.

<sup>2</sup> See p. 139.



which was passed on 29th July, 1915, extended the provisions of Section 2 of the Amendment Act of 1914 to British Government and Municipal securities, reference to which had, *per incuriam*, been omitted from the previous Act (see Section 1), and ordered the notification of enemy bank balances and of all debts of £50 or upwards due to enemies (see Section 2). It extended to persons "treated as enemies" under any Trading with the Enemy Proclamation for the time being in force, those provisions of the previous Act which related to assignments, transfers, and the payment of coupons (*viz.* Sections 6, 7, and 8).

*Trading with the Enemy Amendment Act, of 1916.*—By the end of 1915, the increased bitterness of the economic war had created a strong demand for legislation which went further than the mere prevention of trading with the enemy. The appointment of supervisors, controllers, and inspectors, though sufficient to effect that purpose, did not prevent the continued existence of enemy-controlled concerns in this country, and the accruing of profits for the benefit of enemy shareholders which, though for the time being immobilized, might be a potent factor in the economic revival of enemy countries and the very existence of which tended to improve their credit, and to increase their sense of financial security. On the 27th January, 1916, the third Trading with the Enemy Amendment Act was passed (see p. 144).

This Act required the Board of Trade, in the case of any business where it appeared, either from the nationality or associations of those interested, that it was being carried on wholly or mainly for the benefit of or under the control of enemy subjects either to appoint a Controller and wind the business up, or to prohibit its continuance, except in cases where the Board considered it inexpedient to take this course<sup>1</sup> (see Section 1). A Controller so appointed might be given powers similar to those of a liquidator. His remuneration and expenses were payable out of the assets of the business.

The Board of Trade were empowered under the Act to cancel, in the public interest, any contract with an enemy or an enemy subject or with a person in respect of whose business a winding-up order had been made (Section 2),<sup>2</sup> and to vest in the Custodian any property belonging to "enemies" or "enemy subjects" without application to the Court (Section 4). The Act imposed upon enemy subjects in this country the

<sup>1</sup> It will be observed that this section, though purporting to be mandatory, was in fact permissive.

<sup>2</sup> Fifty-eight contracts were cancelled under this section.

obligation to notify their property if required to do so by the Custodian (Section 5).

On 9th February, 1916, a Committee was appointed to advise the Board of Trade on matters arising under this Act and to assist them in the exercise of the discretion given them by Section 1 (Subsection 1). The policy followed was to wind up under Section 1 only in those cases in which such a course could be adopted without prejudice to British interests, but otherwise to transform the businesses into British concerns by vesting the enemy interest in the Custodian for sale under Section 4. In the case of flourishing businesses the enemy interest in which was easily saleable, this course was usually adopted, since it was obviously more advantageous to deal with them as going concerns than to discredit and depreciate them by a winding-up order. In cases where a winding-up took place, the proceeds of sale in so far as they represented the share of an enemy subject were, after satisfaction of the liabilities of the business and of the costs of the winding-up, made over to the Custodian. In the case of small retail businesses, the policy followed was either to prohibit them or to take no action. In many cases where there were strong grounds for leniency the latter alternative was adopted, e.g. where the enemy subject concerned had a satisfactory record and sons serving in His Majesty's forces.

Over 500 winding-up orders were made under this law, and the German interests in a large number of important and flourishing concerns were eliminated.

The Amendment Act of 1916 may be regarded as practically the high-water mark of legislative interference with enemy property rights and interests in this country during the War, and a comparison of this Act with the Treasury announcement of 22nd August, 1914, issued in connexion with the Proclamation then in force, will indicate the distance travelled by public opinion in the intervening period. The aim of the earlier Acts had been in principal merely preventive, their main objective being to exclude the possibility of any increase of the enemy's resources from the profits of enemy enterprise in this country. The new Act definitely and directly aimed at cutting the roots of such enterprise the survival of which, even in a state of suspended animation, was believed to be of material assistance in maintaining the enemy's credit and power of resistance. The territorial principle was now finally abandoned (see Section 15), and an enemy national resident in the United Kingdom or in a neutral country was as much



subject to the disabilities imposed by the Act as an enemy, that is to say, as a person resident in enemy territory.

On the 23rd May, 1916, an Order in Council was issued (see p. 142) adapting and applying the laws relating to Trading with the Enemy to persons and firms upon the Statutory List. This Order provided that neither the Trading with the Enemy Amendment Act of 1915, nor those sections of the Amendment Act of 1914 relating to payment of dividends, notification, and vesting, should apply to such persons and firms, but that otherwise they should be treated as enemies for the purposes of the previous Acts.

*Notification of Claims against Enemies.*—On 7th September, 1916, a Proclamation was issued (see p. 197), requiring all British subjects owning property in enemy countries or having claims against enemies to make returns of such property or claims to the Public Trustee. About 40,000 separate returns were made under this Proclamation. On 27th November, 1917, its provisions were by a further Proclamation (see p. 198) extended to enemy-occupied territory, and as a result another 8,300 claims were notified.

*Trading with the Enemy Amendment Act of 1918.*—The powers of the Government under the Amendment Act of 1916 were found to be defective in two respects. In the case of partnerships between enemies (i.e. persons resident or carrying on business in enemy countries) and British subjects, which were automatically dissolved by the War,<sup>1</sup> the enemy-controlling interest having technically ceased to exist and Section 1 being therefore inapplicable, no winding-up could take place, and the only action possible was to vest the enemy interest in the Custodian, a course which did not preclude the possibility that such a partnership might be renewed after the War. The Board of Trade, moreover, could only wind up the business of a company, and could not wind up the company itself without the lengthy procedure involved by an application to the Court. In deference to the public demand for legislation which would make the revival of German trade in the United Kingdom, more particularly of German banking enterprise, impossible, a fourth Trading with the Enemy Amendment Act was passed on 8th August, 1918 (see p. 154). This Act gave the Board of Trade power to order the winding-up of any company whose business they had wound up under the Act of 1916 (Section 1), or to make a winding-up order in any case where the business of a

<sup>1</sup> See decision in *Stevenson's Case*, *Law Reports*, 1916, 1 KB, p. 763; and 1917, 1 KB, p. 842.

former partnership, which had been dissolved by reason of the fact that one of the partners was an alien enemy, was being carried on by persons whose previous associations made it probable that the old partnership would be revived as soon as the War was over (Section 3).

By Section 8 the Board of Trade was given power to vest in the Custodian the property of enemy-controlled corporations as distinguished from the property of enemies or enemy subjects covered by Section 4 of the previous Act. Few orders were, however, in fact made under this Section.

Section 2 of the new Act prohibited enemy-controlled companies or firms from carrying on Banking business in the United Kingdom for five years after the War.

By Section 11 of the Aliens Restriction (Amendment) Act of 1919 (see p. 162), former enemy aliens are for three years after the coming into force of the Act prohibited from acquiring interests in land, in key industries as specified in a list to be issued by the Board of Trade, or in British ships.

*Definitions of "enemy."*—It may be useful at this juncture to summarize the various changes and developments in the definition of the term "enemy" which are contained in the foregoing legislation. In the Proclamation of 9th September, the term was defined as meaning "any person or body of persons of whatever nationality resident or carrying on business in the enemy country." In the preamble to the Amendment Act of 1914 it is defined as "persons and bodies of persons resident or carrying on business in any country with which His Majesty is for the time being at war." Section 3 of the Amendment Act of 1915 defines "enemy," for the purposes of Sections 6, 7, and 8 of the Amendment Act of 1914, as including "any person or body of persons who is an enemy or treated as an enemy under any Proclamations relating to Trading with the Enemy for the time being in force." As pointed out by Mr. Justice Younger in the case of the *Aljustrel Mines v. the Anglo-Belgian Agency*, the 1915 Amendment Act did not alter the definition of "enemy" for the purposes of Section 3 of the Amendment Act of 1914, which for such purposes, therefore, remained as stated in the preamble to that Act; so that, notwithstanding the Occupied Territory Proclamation of 16th February, 1915, property held on behalf of persons in occupied Belgium or debts due to such persons need not be notified to the Custodian, Belgium being an ally, and therefore not a State with which His Majesty was at war (*Law Journal*, vol. lxxxiv,

p. 849).<sup>1</sup> In the Proclamation of 14th September, 1915, the term "enemy" is defined as including any incorporated company or body of persons (wherever incorporated) carrying on business in an enemy country or in any territory for the time being in hostile occupation.

*Industrial Property and Copyrights.*—A word should be said in conclusion with regard to the treatment during the War of those classes of enemy property, rights, and interests which in the Treaties of Peace are classified as "Industrial Literary and Artistic Property."

*Patents, Designs, and Trade-marks (Temporary Rules) Act of 1914.*—At the outbreak of war there were a very large number of patents belonging to enemy aliens in force in this country, and a considerable number of trade-marks and designs. On the 7th August, 1914, the Patents, Designs, and Trade-marks (Temporary Rules) Act was passed, which empowered the Board of Trade to cancel or suspend any patent or licence, or the registration of any trade-mark, if the patentee, licensee, or owner were an enemy subject (see p. 169).

*Patents, Designs, and Trade-marks Temporary Rules (Amendment) Act of 1914.*—The powers conferred by the Act of 7th August having been found to be insufficient, an amending Act was passed on 28th August, 1914, which empowered the Board of Trade to issue licences to work and use patents and designs belonging to or registered in favour of enemy subjects (see p. 170).

This Act treated as enemy subjects all companies controlled by enemy subjects, even if registered in the United Kingdom, and applied not only to enemy subjects, but to all persons resident and carrying on business in enemy States [see Section 1 (b)]. The terms and conditions under which licences were granted will be found in the rules passed under the Act (see Appendix IX).

Under Section 4 of the Trading with the Enemy Amendment Act, 1914 (see p. 130), enemy patents and enemy interests in patent applications might be vested in the Custodian by order of the Court, and Section 4 of the Trading with the Enemy Amendment Act of 1916 (see p. 148) extended the power of making such orders to the Board of Trade. Section 6 of the latter Act, moreover, provided that in the case of any vested application the patent might be granted

<sup>1</sup> It was presumably this decision which led to the issue of the Proclamation of 14th September, 1915 (see p. 190).



to the Custodian. Section 8 of the Trading with the Enemy Amendment Act, 1918 (see p. 158), empowered the Board of Trade to vest in the Custodian patents or designs belonging to any company in respect of which a winding-up order had been made either under that Act or under the Act of 1916.

After the outbreak of war no further patents were granted to enemy subjects, but prior to July, 1918, a number of applications were received, and in some cases specifications were accepted, the necessary communications being conducted under licence. This procedure secured reciprocal treatment of British patent rights in Germany, and, as was pointed out by Sir George Cave in the House of Commons on 11th July, 1918, also secured to this country the benefit of new ideas originating in enemy countries. The necessity of confining communications with enemy countries through neutral intermediaries within the narrowest limits, and the possibility that the facilities afforded by the licence might be used as a method of conveying concealed messages to and from this country, led to its cancellation on 15th July, 1918.

Up to October, 1918, patents were, notwithstanding the powers conferred by the Trading with the Enemy Laws, in practice only vested in the Custodian when the necessity arose for dealing with them (e.g. when the company working the patent was being wound up); but on the 30th October, 1918, all enemy patents, applications, and rights in respect thereof were vested in the Custodian by an order of the Board of Trade made under the Trading with the Enemy Amendment Acts of 1916 and 1918 (see Appendix IX, at p. 391).

Enemy trade-marks were not, as a rule, interfered with except (1) where the trade-mark was the name of a patented article and a licence was granted under the patent protecting it; (2) where it was the only name or only practicable name of an article manufactured under an expired patent; and (3) where it was the name or the only practicable name of an article manufactured in accordance with a known process or formula which had been published or was well known in the trade. In such cases the registration of trade-marks was suspended or avoided. In the case of trade-marks belonging to businesses sold under the Trading with the Enemy Acts the trade-mark was not infrequently transferred with the business.

The number of designs dealt with under the Acts was negligible.

*Trading with the Enemy Copyright Act of 1916.*—The Convention of Berne having, in so far as the enemy countries were concerned, been automatically brought to an end by the outbreak of war, no copyright could as from that date exist here in respect of works published in those countries except a copyright which had come into existence and vested in the owner before the outbreak of war. Enemy subjects were, therefore, deprived of all protection in respect of their literary and artistic works, in so far as these had been first published in enemy countries after the commencement of the War. In order to guard against the appropriation of such works by unauthorized persons in this country, the Trading with the Enemy Copyright Act was passed on the 10th August, 1916 (see p. 171), which created and vested in the Custodian of Enemy Property a copyright in this country of works published in enemy countries after the outbreak of war, and such works could not thenceforward be produced in the United Kingdom except under licence from the Custodian.

Pre-war copyrights were only vested as the need arose. On application by any person in this country who desired to produce an enemy work which was protected by a pre-war copyright, it was the practice of the Board of Trade to vest such copyright in the Custodian, and to direct him to grant the necessary licence to enable the applicant to publish the work.

The subsequent legislation affecting the industrial, literary, and artistic property of former enemy nationals necessitated by the terms of the Treaties of Peace will be dealt with in a later chapter.

*Licences.*—In the Trading with the Enemy Proclamations a dispensing power was invariably reserved to His Majesty's Government in order to provide for cases in which rigid adherence to their provisions might involve an injury to British interests disproportionate to the advantage likely to be achieved.

On 25th September, 1914, a general licence was issued by the Board of Trade under the Proclamation of 9th September, permitting British owners of cargo lying in enemy-owned ships in neutral ports to pay the freight in order to obtain the release of their goods (see p. 220). On 23rd September and 4th November, 1914, 7th December, 1915, and 5th September, 1917, the Board issued general licences, permitting payments to an enemy country for the purpose of preserving rights in respect of patents, designs, and trade-marks, and payments in this country on behalf of enemies for a similar purpose (see pp. 211 to 217).



A number of special licences were from time to time granted by the Parliamentary Counsel, and subsequently by the Trading with the Enemy branch of the Treasury, permitting *inter alia* investments or other dealings with enemy property in the custody of persons in this country and the transmission of small sums through neutral intermediaries to enemy countries for the maintenance of relatives. In the case of remittances to relatives the licence was not always confined to a single payment, small periodic payments being frequently authorized, but the funds that might be so remitted were, generally speaking, restricted to the minimum requisite to enable the recipient to obtain the means of subsistence. Special licences were also granted in cases where applicants were in danger of forfeiting property or rights in an enemy country through the non-fulfilment of some small pecuniary obligation.

In 1915, in order to facilitate the importation of Belgian goods under licence into this country, an arrangement was entered into through the Government of the United States, under which Germany allowed exports to England against payment to Belgium of a percentage of the price based upon the cost of the labour employed in their production. This arrangement had the advantage of keeping the Belgian labourer in Belgium and at work, of saving expense to the International Relief Commission, and of securing glass and paper for this country on a system by which a large portion of the purchase-money was banked until the termination of the War.

In certain very exceptional cases special licences were granted by the Home Office and subsequently by the Board of Trade for the importation from neutral countries of articles of enemy origin, where the articles in question could not be obtained from other sources and were of great importance to British industries.

On 17th February, 1919, a general licence was issued authorizing the resumption of trade with Turkey and Bulgaria (see Appendix X, p. 398). On 12th July, 1919, the resumption of trade with Germany and German Austria was similarly authorized (see Appendix X, p. 404), and on 6th August, 1919, the Board of Trade issued a general licence to trade with Hungary (see Appendix X, p. 405). The licences extended to new business only, and expressly excluded the discharge of any obligation arising out of a transaction entered into before the War.

The duty of ensuring that the terms of these various

licences were not overstepped, and that the prohibitions upon transactions for enemy benefit were duly observed, devolved very largely upon the Postal and Cable Censorships, whose vigilance and efficiency rendered it practically impossible for any illicit intercourse with persons abroad, however carefully concealed, to be carried on without detection.

## CHAPTER II

### ACTS, ORDERS, AND NOTICES

#### NOTIFICATION OF A STATE OF WAR WITH GERMANY

HIS Majesty's Government informed the German Government on August 4th, 1914, that, unless a satisfactory reply to the request of His Majesty's Government for an assurance that Germany would respect the neutrality of Belgium was received by midnight of that day, His Majesty's Government would feel bound to take all steps in their power to uphold that neutrality and the observance of a treaty to which Germany was as much a party as Great Britain.

The result of this communication having been that His Majesty's Ambassador at Berlin had to ask for his passports, His Majesty's Government have accordingly formally notified the German Government that a state of war exists between the two countries as from 11 p.m. to-day.

FOREIGN OFFICE,  
August 4th, 1914.

#### NOTIFICATION OF A STATE OF WAR WITH AUSTRIA HUNGARY

DIPLOMATIC relations between France and Austria being broken off, the French Government have requested His Majesty's Government to communicate to the Austro-Hungarian Ambassador in London the following Declaration :

“Après avoir déclaré la guerre à la Serbie et pris ainsi la première initiative des hostilités en Europe, le Gouvernement austro-hongrois s'est mis, sans aucune provocation du Gouvernement de la République Française, en état de guerre avec la France ;

10.—Après que l'Allemagne avait successivement déclaré la guerre à la Russie et à la France, il est intervenu dans ce conflit en déclarant la guerre à la Russie qui combattait déjà aux côtes de la France.

20.—D'après de nombreuses informations dignes de foi, l'Autriche a envoyé des troupes sur la frontière allemande, dans des conditions qui constituent une menace directe à l'égard de la France.

En présence de cet ensemble de faits, le Gouvernement

français se voit obligé de déclarer au Gouvernement austro-hongrois qu'il va prendre toutes les mesures qui lui permettront de répondre à ces actes et à ces menaces."

In communicating this Declaration accordingly to the Austro-Hungarian Ambassador, His Majesty's Government have declared to His Excellency that the rupture with France having been brought about in this way, they feel themselves obliged to announce that a state of war exists between Great Britain and Austria-Hungary as from midnight.

FOREIGN OFFICE,  
August 12th, 1914.

## NOTIFICATION OF A STATE OF WAR WITH TURKEY

Owing to hostile acts committed by Turkish forces under German officers, a state of war exists between Great Britain and Turkey as from to-day.

FOREIGN OFFICE,  
November 5, 1914.

## NOTIFICATION OF A STATE OF WAR WITH BULGARIA

The King of the Bulgarians, an Ally of the Central Powers, being now in a state of war with the King of Serbia, an Ally of His Majesty King George V, His Majesty's Government have notified the Swedish Minister in London, who is in charge of Bulgarian interests in this country, that a state of war exists between Great Britain and Bulgaria as from 10 p.m. to-night.

FOREIGN OFFICE,  
October 15, 1915.

## ALIENS RESTRICTION ACT, 1914

[4 & 5 GEO. 5, C. 12]

*An Act to enable His Majesty in time of war or imminent national danger or great emergency by Order in Council to impose Restrictions on Aliens and make such provisions as appear necessary or expedient for carrying such restrictions into effect.*

[5th August 1914.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

1.—(1) His Majesty may at any time when a state of war exists between His Majesty and any foreign power, or when it appears that an occasion of imminent national danger or great emergency

Powers with respect to aliens in case of national emergency.

has arisen, by Order in Council impose restrictions on aliens, and provision may be made by the Order—

- (a) for prohibiting aliens from landing in the United Kingdom, either generally or at certain places, and for imposing restrictions or conditions on aliens landing or arriving at any port in the United Kingdom ; and
- (b) for prohibiting aliens from embarking in the United Kingdom, either generally or at certain places, and for imposing restrictions and conditions on aliens embarking or about to embark in the United Kingdom ; and
- (c) for the deportation of aliens from the United Kingdom ; and
- (d) for requiring aliens to reside and remain within certain places or districts ; and
- (e) for prohibiting aliens from residing or remaining in any areas specified in the Order ; and
- (f) for requiring aliens residing in the United Kingdom to comply with such provisions as to registration, change of abode, travelling, or otherwise as may be made by the Order ; and
- (g) for the appointment of officers to carry the Order into effect, and for conferring on such officers and on the Secretary of State such powers as may be necessary or expedient for the purposes of the Order ; and
- (h) for imposing penalties on persons who aid or abet any contravention of the Order, and for imposing such obligations and restrictions on masters of ships or any other persons specified in the Order as appear necessary or expedient for giving full effect to the Order ; and
- (i) for conferring upon such persons as may be specified in the Order such powers with respect to arrest, detention, search of premises or persons, and otherwise, as may be specified in the Order, and for any other ancillary matters for which it appears expedient to provide with a view to giving full effect to the Order ; and
- (k) for any other matters which appear necessary or expedient with a view to the safety of the realm.

(2) If any person acts in contravention of, or fails to comply with, any provisions of any such Order, he shall be liable on conviction under the Summary Jurisdiction Acts to a fine not exceeding one hundred pounds or to imprisonment with or without hard labour for a term not exceeding six months, and the court before which he is convicted may, either in addition to, or in lieu of, any such punishment, require that person to enter into recognizances with or without sureties to comply with the provisions of the Order in Council or such provisions thereof as the court may direct.



If any person fails to comply with an order of the court, requiring him to enter into recognizances the court, or any court of summary jurisdiction sitting for the same place, may order him to be imprisoned with or without hard labour for any term not exceeding six months.

(3) Any provision of any Order in Council made under this section with respect to aliens may relate either to aliens in general or to any class or description of aliens.

(4) If any question arises on any proceedings under any such Order, or with reference to anything done or proposed to be done under any such Order, whether any person is an alien or not, or is an alien of a particular class or not, the onus of proving that that person is not an alien, or, as the case may be, is not an alien of that class, shall lie upon that person.

(5) His Majesty may by Order in Council revoke, alter, or add to any Order in Council made under this section as occasion requires.

(6) Any powers given under this section, or under any Order in Council made under this section, shall be in addition to, and not in derogation of, any other powers with respect to the expulsion of aliens, or the prohibition of aliens from entering the United Kingdom or any other powers of His Majesty.

2.—(1) This Act may be cited as the Aliens Restriction Act, 1914.

Short title  
and applica-  
tion.

(2) In the application of this Act to Scotland the expressions “the court” and “any court of summary jurisdiction” mean the sheriff; and the expressions “enter into recognizances with or without sureties” and “enter into recognizances” mean “find caution.”

## THE TRADING WITH THE ENEMY ACT, 1914

[4 & 5 GEO. 5, C. 87]

*An Act to make provision with respect to penalties for Trading with the Enemy, and other purposes connected therewith.*

[18th September 1914.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

1.—(1) Any person who during the present war trades or has, since the fourth day of August nineteen hundred and fourteen, traded with the enemy within the meaning of this Act shall be guilty of a misdemeanour, and shall—

Penalties  
for trading  
with enemy.

(a) on conviction under the Summary Jurisdiction Acts, be liable to imprisonment with or without hard labour for a term not exceeding twelve months, or to a fine not

exceeding five hundred pounds, or to both such imprisonment and fine ; or

- (b) on conviction on indictment, be liable to penal servitude for a term not exceeding seven or less than three years or to imprisonment with or without hard labour for a term not exceeding two years, or to a fine, or to both such penal servitude or imprisonment and fine ;

and the court may in any case order that any goods or money, in respect of which the offence has been committed, be forfeited.

(2) For the purposes of this Act a person shall be deemed to have traded with the enemy if he has entered into any transaction or done any act which was, at the time of such transaction or act, prohibited by or under any proclamation issued by His Majesty dealing with trading with the enemy for the time being in force,<sup>1</sup> or which at common law or by statute constitutes an offence of trading with the enemy :

Provided that any transaction or act permitted by or under any such proclamation shall not be deemed to be trading with the enemy.

(3) Where a company has entered into a transaction or has done any act which is an offence under this section, every director, manager, secretary, or other officer of the company who is knowingly a party to the transaction or act shall also be deemed guilty of the offence.

(4) A prosecution for an offence under this section shall not be instituted except by or with the consent of the Attorney-General :

Provided that the person charged with such an offence may be arrested and a warrant for his arrest may be issued and executed, and such person may be remanded in custody or on bail notwithstanding that the consent of the Attorney-General to the institution of the prosecution for the offence has not been obtained, but no further or other proceedings shall be taken until that consent has been obtained.

(5) Where an act constitutes an offence both under this Act and under any other Act, or both under this Act and at common law, the offender shall be liable to be prosecuted and punished under either this Act or such other Act, or under this Act or at common law, but shall not be liable to be punished twice for the same offence.

2.—(1) If a justice of the peace is satisfied, on information on oath laid on behalf of a Secretary of State or the Board of Trade, that there is reasonable ground for suspecting that an offence under this Act has been or is about to be committed by any person, firm, or company, he may issue a warrant authorizing any person appointed by a Secretary of State or the Board of Trade and named in the warrant to inspect all books or documents belonging to or under the control of that person, firm, or company, and to require any person able to give any information with respect

<sup>1</sup> See Proclamations and Licences on pp. 173–7.

to the business or trade of that person, firm, or company to give that information, and if accompanied by a constable to enter and search any premises used in connexion with the business or trade, and to seize any such books or documents as aforesaid :

Provided that when it appears to a Secretary of State or the Board of Trade that the case is one of great emergency and that in the interests of the State immediate action is necessary, a Secretary of State or the Board of Trade may, by written order, give to a person appointed by him or them the like authority as may be given by a warrant of a justice under this subsection.

(2) Where it appears to the Board of Trade—

- (a) in the case of a firm, that one of the partners in the firm was immediately before or at any time since the commencement of the present war a subject of, or resident or carrying on business in, a state for the time being at war with His Majesty ; or
- (b) in the case of a company, that one-third or more of the issued share capital or of the directorate of the company immediately before or at any time since the commencement of the present war was held by or on behalf of or consisted of persons who were subjects of, or resident or carrying on business in, a state for the time being at war with His Majesty ; or
- (c) in the case of a person, firm, or company, that the person was or is, or the firm or company were or are, acting as agent for any person, firm, or company trading or carrying on business in a state for the time being at war with His Majesty ;

the Board of Trade may, if they think it expedient for the purpose of satisfying themselves that the person, firm, or company are not trading with the enemy, by written order, give to a person appointed by them, without any warrant from a justice, authority to inspect all books and documents belonging to or under the control of the person, firm or company, and to require any person able to give information with respect to the business or trade of that person, firm, or company, to give that information.

For the purposes of this subsection, any person authorised in that behalf by the Board of Trade may inspect the register of members of a company at any time, and any shares in a company for which share warrants to bearer have been issued shall not be reckoned as part of the issued share capital of the company.

(3) If any person having the custody of any book or document which a person is authorised to inspect under this section refuses or wilfully neglects to produce it for inspection, or if any person who is able to give any information which may be required to be given under this section refuses or wilfully neglects when required to give that information, that person shall on conviction under the Summary Jurisdiction Acts be liable to imprisonment with or without hard labour for a term not exceeding six months, or to a



fine not exceeding fifty pounds, or to both such imprisonment and fine.

Power of Board of Trade to apply for receiver in certain cases.

3. Where it appears to the Board of Trade in reference to any firm or company—

- (a) that an offence under this Act has been or is likely to be committed in connexion with the trade or business thereof; or
- (b) that the control or management thereof has been or is likely to be so affected by the state of war as to prejudice the effective continuance of its trade or business, and that it is in the public interest that the trade or business should continue to be carried on;

the Board of Trade may apply to the High Court for the appointment of a controller of the firm or company, and the High Court shall have power to appoint such a controller, for such time and subject to such conditions and with such powers as the court thinks fit, and the powers so conferred shall be either those of a receiver and manager or those powers subject to such modifications, restrictions or extensions as the court thinks fit (including, if the court considers it necessary or expedient for enabling the controller to borrow money, power, after a special application to the court for that purpose, to create charges on the property of the firm or company in priority to existing charges).

The court shall have power to direct how and by whom the costs of any proceedings under this section, and the remuneration, charges, and expenses of the controller, shall be borne, and shall have power, if it thinks fit, to charge such costs, charges, and expenses on the property of the firm or company in such order of priority, in relation to any existing charges thereon, as it thinks fit.

Short title and construction.

4.—(1) This Act may be cited as the Trading with the Enemy Act, 1914.

(2) In this Act the expression “Attorney-General” means the Attorney or Solicitor General for England, and as respects Scotland means the Lord Advocate, and as respects Ireland means the Attorney or Solicitor General for Ireland.

(3) In the application of this Act to Scotland the Secretary for Scotland shall be substituted for a Secretary of State, and the Court of Session shall be substituted for the High Court; the court exercising summary jurisdiction shall be the sheriff court; references to a justice of the peace shall include references to the sheriff and to a burgh magistrate; and references to a receiver and manager shall be construed as references to a judicial factor.

(4) In the application of this Act to Ireland, the Lord Lieutenant shall be substituted for a Secretary of State.

(5) Anything authorized under this Act to be done by the Board of Trade may be done by the President or a Secretary or Assistant Secretary of the Board, or any person authorized in that behalf by the President of the Board.

TRADING WITH THE ENEMY AMENDMENT ACT, 1914

[5 GEO. 5, C. 12]

*An Act to amend the Trading with the Enemy Act, 1914, and for purposes connected therewith.*

[27th November 1914.]

WHEREAS it is expedient to make further provision for preventing the payment of money to persons and bodies of persons resident or carrying on business in any country with which His Majesty is for the time being at war (which persons and bodies of persons are hereinafter referred to as "enemies"), in contravention of the law relating to trading with the enemy, and for preserving, with a view to arrangements to be made at the conclusion of peace, such money and certain other property belonging to enemies; and to make other provisions for preventing trading with the enemy:

Be it therefore enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1.—(1) The Board of Trade shall appoint a person to act as Custodian of enemy property (hereinafter referred to as "the Custodian") for England and Wales, for Scotland, and for Ireland respectively, for the purpose of receiving, holding, preserving, and dealing with such property as may be paid to or vested in him in pursuance of this Act, and if any question arises as to which Custodian any money is to be paid to under this Act, the question shall be determined by the Board of Trade.

Constitution  
of office of  
Custodian of  
enemy  
property.

(2) The Public Trustee shall be appointed to be the Custodian for England and Wales, and shall, in relation to all property held by him in his capacity of Custodian, have the like status, and his accounts shall be subject to the like audit, as if the same were held by him in his capacity of Public Trustee, and the Public Trustee Act, 1906, shall apply accordingly.

(3) The Custodian for Scotland and Ireland respectively shall have such powers and duties with respect to the property aforesaid as may be prescribed by regulations made by the Board of Trade with the approval of the Treasury.

(4) The Custodian may place on deposit with any bank, or invest in any securities, approved by the Treasury, any moneys paid to him under this Act, or received by him from property vested in him under this Act, and any interest or dividends received on account of such deposits or investments shall be dealt with in such manner as the Treasury may direct:

Provided that the Custodian for any part of the United Kingdom shall, if so directed by the Treasury, transfer any money held by him under this Act to the Custodian of another part thereof.



Payment of  
dividends,  
&c., payable  
to enemy.

2.—(1) Any sum which, had a state of war not existed, would have been payable and paid to or for the benefit of an enemy, by way of dividends, interest or share of profits, shall be paid by the person, firm or company by whom it would have been payable to the Custodian to hold subject to the provisions of this Act and any Order in Council made thereunder, and the payment shall be accompanied by such particulars as the Board of Trade may prescribe, or as the Custodian, if so authorised by the Board of Trade, may require.

Any payment required to be made under this subsection to the Custodian shall be made—

- (a) within fourteen days after the passing of this Act, if the sum, had a state of war not existed, would have been paid before the passing of this Act ; and
- (b) in any other case within fourteen days after it would have been paid.

(2) Where before the passing of this Act any such sum has been paid into any account with a bank, or has been paid to any other person in trust for an enemy, the person, firm or company by whom the payment was made shall, within fourteen days after the passing of this Act, by notice in writing, require the bank or person to pay the sum over to the Custodian to hold as aforesaid, and shall furnish the Custodian with such particulars as aforesaid. The bank or other person shall, within one week after the receipt of the notice, comply with the requirement and shall be exempt from all liability for having done so.

(3) If any person fails to make or require the making of any payment or to furnish the prescribed particulars within the time mentioned in this section, he shall, on conviction under the Summary Jurisdiction Acts, be liable to a fine not exceeding one hundred pounds or to imprisonment, with or without hard labour, for a term not exceeding six months, or to both such fine and imprisonment, and in addition to a further fine not exceeding fifty pounds for every day during which the default continues, and every director, manager, secretary or officer of a company, or any other person who is knowingly a party to the default shall, on the like conviction, be liable to the like penalty.

(4) If, in the case of any person, firm or company whose books and documents are liable to inspection under subsection (2) of section two of the Trading with the Enemy Act, 1914 (hereinafter referred to as the principal Act), any question arises as to the amount which would have been so payable and paid as aforesaid, the question shall be determined by the person who may have been or who may be appointed to inspect the books and documents of the person, firm or company, or, on appeal, by the Board of Trade, and if, in the course of determining the question, it appears to the inspector or the Board of Trade that the person, firm or company has not distributed as dividends, interest or profits the whole of the amount properly available for that purpose, the

inspector or Board may ascertain what amount was so available and require the whole of such amount to be so distributed, and, in the case of a company, if such dividends have not been declared, the inspector or the Board may himself or themselves declare the appropriate dividends, and every such declaration shall be as effective as a declaration to the like effect duly made in accordance with the constitution of the company :

Provided that where a controller has been appointed under section three of the principal Act this subsection shall apply as if for references to the inspector there were substituted references to the controller.

(5) For the purposes of this Act the expression “dividends, interest or share of profits” means any dividends, bonus or interest in respect of any shares, stock, debentures, debenture stock or other obligations of any company, any interest in respect of any loan to a firm or person carrying on business for the purposes of that business, and any profits or share of profits of such a business, and, where a person is carrying on any business on behalf of an enemy, any sum which, had a state of war not existed, would have been transmissible by a person to the enemy by way of profits from that business shall be deemed to be a sum which would have been payable and paid to that enemy.

3.—(1) Any person who holds or manages for or on behalf of an enemy any property, real or personal (including any rights, whether legal or equitable, in or arising out of property, real or personal), shall, within one month after the passing of this Act or if the property comes into his possession or under his control after the passing of this Act, then within one month after the time when it comes into his possession or under his control, by notice in writing communicate the fact to the Custodian, and shall furnish the Custodian with such particulars in relation thereto as the Custodian may require, and if any person fails to do so he shall, on conviction under the Summary Jurisdiction Acts, be liable to a fine not exceeding one hundred pounds or to imprisonment, with or without hard labour, for a term not exceeding six months, or to both such a fine and imprisonment, and in addition to a further fine not exceeding fifty pounds for every day during which the default continues.

Duty of trustees for enemies to notify the Custodian.

(2) Every company incorporated in the United Kingdom and every company which, though not incorporated in the United Kingdom, has a share transfer or share registration office in the United Kingdom shall, within one month after the passing of this Act, by notice in writing communicate to the Custodian full particulars of all shares, stock, debentures, and debenture stock and other obligations of the company which are held by or for the benefit of an enemy ; and every partner of every firm, one or more partners of which on the commencement of the war became enemies or to which money had been lent for the purpose of the business of the firm by a person who so became an enemy, shall,

within one month after the commencement of this Act, by notice in writing communicate to the Custodian full particulars as to any share of profits and interest due to such enemies or enemy, and, if any company or partner fails to comply with the provisions of this subsection, the company shall, on conviction under the Summary Jurisdiction Acts, be liable to a fine not exceeding one hundred pounds, and in addition to a further fine not exceeding fifty pounds for every day during which the default continues, and the partner and every director, manager, secretary or officer of the company who is knowingly a party to the default shall on the like conviction be liable to the like fine, or to imprisonment, with or without hard labour, for a term not exceeding six months, or to both such imprisonment and fine.

Power to  
vest enemy  
property in  
Custodian.

4.—(1) The High Court or a judge thereof may, on the application of any person who appears to the court to be a creditor of an enemy or entitled to recover damages against an enemy, or to be interested in any property, real or personal (including any rights, whether legal or equitable, in or arising out of property real or personal), belonging to or held or managed for or on behalf of an enemy, or on the application of the Custodian or any Government Department, by order vest in the Custodian any such real or personal property as aforesaid, if the court or the judge is satisfied that such vesting is expedient for the purposes of this Act, and may by the order confer on the Custodian such powers of selling, managing and otherwise dealing with the property as to the court or judge may seem proper.

(2) The court or judge before making any order under this section may direct that such notices (if any), whether by way of advertisement or otherwise, shall be given as the court or judge may think fit.

(3) A vesting order under this section as respects property of any description shall be of the like purport and effect as a vesting order as respects property of the same description made under the Trustee Act, 1893.

NOTE.—The Order of the Court in cases in which debts due to enemies were vested empowered the Custodian to sue and recover, but if the Court considered that there were grounds for holding up any money or other property vested in the Custodian (e.g. where a British debtor alleged that he was owed money in Germany which might already have been seized to satisfy his obligation) the terms of the order usually prohibited the Custodian from dealing with the money or property without a further application. Similarly, if the British debtor or holder of enemy property claimed any lien, charge, or set-off against or in respect of the debt or property, the order as a rule prohibited any dealing with the vested money or property without a further application. (For orders known as the Freudenberg and Blydenstein Orders see *In re Ling and Dühr*, 1918, *Law Journal*, Chancery, vol. lxxxvii, p. 500.)

In the case of *Pharaon et fils* (1916, *Law Journal*, Chancery, vol. lxxxv, p. 68) it was held that where a vesting order had been made by the Court under this section, the Custodian had, as regards the vested shares, all the powers and rights of a shareholder under the Articles of Association.

It has been held that the effect of a vesting order made under this section is to deprive the enemy owner of the beneficial ownership of the property, which remains in abeyance until dealt with by Order in Council under Section 5, and



that the Custodian is not therefore, as regards the vested property, in the position of an agent or trustee for the enemy owner. (See *In re Munster*, 1920, *Times Law Reports*, vol. xxxvi, p. 173.)

5.—(1) The Custodian shall, except so far as the Board of Trade or the High Court or a judge thereof may otherwise direct, and subject to the provisions of the next succeeding subsection, hold any money paid to and any property vested in him under this Act until the termination of the present war, and shall thereafter deal with the same in such manner as His Majesty may by Order in Council direct.

Holding and dealing with property by Custodian.

(2) The property held by the Custodian under this Act shall not be liable to be attached or otherwise taken in execution, but the Custodian may, if so authorised by an order of the High Court or a judge by whose order any property belonging to an enemy was vested in the Custodian under this Act, or of any court in which judgment has been recovered against an enemy, pay out of the property paid to him in respect of that enemy the whole or any part of any debts due by that enemy and specified in the order:

Provided that before paying any such debt the Custodian shall take into consideration the sufficiency of the property paid to or vested in him in respect of the enemy in question to satisfy that debt and any other claims against that enemy of which notice verified by statutory declaration may have been served upon him.

NOTE.—A creditor claiming to have money paid to him under this subsection was required to satisfy the Court that the debt was still due, and had not already been paid in Germany to some authority established under German war legislation. (See *In re Ling and Dühr*, 1918, *Law Journal*, Chancery, vol. lxxxvii, p. 500.)

In the case of the Krupp Aktiengesellschaft (1916, *Law Journal*, Chancery, vol. lxxxv, p. 634) it was held that no interest was payable in respect of debts satisfied out of vested enemy assets unless the contract actually provided for the payment of interest, since no larger payment should be authorized than could have been recovered at law against the enemy himself. In a further case in connexion with the vested assets of the same company, it was held, however, that where the debt arose out of a commercial contract governed by German law, a British creditor, being entitled by the ordinary rules of German law to interest at 5 per cent., might recover interest at that rate out of the vested assets, and that the decree of 30th September, 1914, abolishing interest (see p. 21), which formed no part of the ordinary German law, must for such purpose be disregarded. (*In re Krupp Aktiengesellschaft* (No. 2), 1917, *Law Journal*, Chancery, vol. lxxxvi, p. 689.)

It has been held that, notwithstanding the validation of war measures by the Treaty of Versailles, the power of the Court under this subsection to order payment of debts to British creditors out of the vested assets of former enemies has been brought to an end by Article 296 of the Treaty, and by the Treaty of Peace Orders. A British creditor cannot, therefore, recover money due to him out of the vested assets of his German debtor in the hands of the Custodian, but must rely upon his remedies under Article 296 of the Treaty. (See *In re Nierhaus*, 1920, *Times Law Reports*, vol. xxxvi, p. 425.) It has also recently been held that, whether or not the power given by the subsection still subsists in the case of alien creditors, it is a purely discretionary power, and ought not to be exercised in such a way as to deplete the clearing office fund available for the payment of debts to British nationals. (See *In re Anglo-Austrian Bank* (London Agency), 1921, *Law Journal*, Chancery, vol. xc, p. 15.)

(3) The receipt of the Custodian or any person duly authorized to sign receipts on his behalf for any sum paid to him under this Act shall be a good discharge to the person paying the same as against the person or body of persons in respect of whom the sum was paid to the Custodian.

(4) The Custodian shall keep a register of all property held by him under this Act, which register shall be open to public inspection at all reasonable times free of charge.

(5) In England and Ireland the Lord Chancellor and the Lord Chancellor for Ireland may by rules, and in Scotland the Court of Session may by act of sederunt, make provision for the practice and procedure to be adopted for the purposes of this and the last preceding section.

Invalidity of  
assignment  
of debts, &c.,  
by enemies.

6.—(1) No person shall by virtue of any assignment of any debt or other chose in action, or delivery of any coupon or other security transferable by delivery, or transfer of any other obligation, made or to be made in his favour by or on behalf of an enemy, whether for valuable consideration or otherwise, have any rights or remedies against the person liable to pay, discharge or satisfy the debt, chose in action, security or obligation, unless he proves that the assignment, delivery or transfer was made by leave of the Board of Trade or was made before the commencement of the present war, and any person who knowingly pays, discharges or satisfies any debt, or chose in action, to which this subsection applies, shall be deemed to be guilty of the offence of trading with the enemy within the meaning of the principal Act :

Provided that this subsection shall not apply where the person to whom the assignment, delivery or transfer was made, or some person deriving title under him, proves that the transfer, delivery or assignment or some subsequent transfer, delivery or assignment, was made before the nineteenth day of November, nineteen hundred and fourteen, in good faith and for valuable consideration, nor shall this subsection apply to any bill of exchange or promissory note.

(2) No person shall by virtue of any transfer of a bill of exchange or promissory note made or to be made in his favour by or on behalf of an enemy, whether for valuable consideration or otherwise, have any rights or remedies against any party to the instrument unless he proves that the transfer was made before the commencement of the present war, and any party to the instrument who knowingly discharges the instrument shall be deemed to be guilty of trading with the enemy within the meaning of the principal Act :

Provided that this subsection shall not apply where the transferee, or some subsequent holder of the instrument, proves that the transfer, or some subsequent transfer, of the instrument was made before the nineteenth day of November, nineteen hundred and fourteen, in good faith and for valuable consideration.

NOTE.—In *Weld v. Friling* it was held that the prohibition contained in this



subsection applied in the case where a bill drawn by an enemy was transferred by endorsement to a neutral in a non-enemy country (1916, *Times Law Reports*, vol. xxxii, p. 469).

(3) Nothing in this section shall be construed as validating any assignment, delivery or transfer which would be invalid apart from this section or as applying to securities within the meaning of section eight of this Act.

7. Where during the continuance of the present war any coupon or other security transferable by delivery is presented for payment to any company, municipal authority or other body or person, and the company, body or person has reason to suspect that it is so presented on behalf or for the benefit of an enemy, or that since the commencement of the present war it has been held by or for the benefit of an enemy, the company, body or person may pay the sum due in respect thereof into the High Court, and the same shall, subject to rules of court, be dealt with according to the orders of the court, and such a payment shall for all purposes be a good discharge to the company, body or person.

Right to pay into court sums due on coupons suspected of being enemy property.

8.—(1) No transfer made after the passing of this Act by or on behalf of an enemy of any securities shall confer on the transferee any rights or remedies in respect thereof and no company or municipal authority or other body by whom the securities were issued or are managed shall, except as hereinafter appears, take any cognizance of or otherwise act upon any notice of such a transfer :

Invalidity of transfers of shares in company, &c.

(2) No entry shall hereafter, during the continuance of the present war, be made in any register or branch register or other book kept in the United Kingdom of any transfer of any securities therein registered, inscribed or standing in the name of an enemy, except by leave of a court of competent jurisdiction or of the Board of Trade.

(3) No share warrants payable to bearer shall be issued during the continuance of the present war in respect of any shares or stock registered in the name of any enemy.

(4) If any company or any body contravenes the provisions of this section the company or body shall be liable on conviction under the Summary Jurisdiction Acts to a fine not exceeding one hundred pounds, and every director, manager, secretary or other officer of the company or body who is knowingly a party to the default shall be liable on the like conviction to a like fine or to imprisonment, with or without hard labour, for a term not exceeding six months.

(5) For the purposes of this section the expression " securities " means any annuities, stock, shares, debentures, or debenture stock issued by or on behalf of the Government or by any municipal or other authority, or by any company or by any other body which are registered or inscribed in any register, branch register, or other book kept in the United Kingdom.

Condition as to the incorporation of new companies.

9.—(1) During the continuance of the present war a certificate of incorporation of a company shall not be given by the Registrar of Joint Stock Companies until there has been filed with him either—

- (a) a statutory declaration by a solicitor of the Supreme Court, or, in Scotland, by an enrolled law agent, engaged in the formation of the company, that the company is not formed for the purpose or with the intention of acquiring the whole or any part of the undertaking of a person, firm or company the books and documents of which are liable to inspection under subsection (2) of section two of the principal Act ; or
- (b) a licence from the Board of Trade authorising the acquisition by the company of such an undertaking.

(2) Where such a statutory declaration has been filed it shall not be lawful for the company, during the continuance of the present war, without the licence of the Board of Trade, to acquire the whole or any part of any such undertaking, and if it does so the company shall, without prejudice to any other liability, be liable on conviction under the Summary Jurisdiction Acts to a fine not exceeding one hundred pounds, and every director, manager, secretary, or other officer of the company who is knowingly a party to the default shall on the like conviction be liable to the like fine or to imprisonment, with or without hard labour, for a term not exceeding six months.

Additional provisions as to trading with enemy.

10.—(1) Section one of the principal Act shall apply to a person who during the present war attempts, or directly or indirectly offers or proposes or agrees, or has since the fourth day of August nineteen hundred and fourteen attempted or directly or indirectly offered or proposed or agreed to trade with the enemy within the meaning of that Act in like manner as it applies to a person who so trades or has so traded.

(2) If any person without lawful authority in anywise aids or abets any other person, whether or not such other person is in the United Kingdom, to enter into, negotiate, or complete any transaction or do any act which, if effected or done in the United Kingdom by such other person, would constitute an offence of trading with the enemy within the meaning of the principal Act, he shall be deemed to be guilty of such an offence.

(3) If any person without lawful authority deals, or attempts, or offers, proposes or agrees, whether directly or indirectly, to deal with any money or security for money or other property which is in his hands or over which he has any claim or control for the purpose of enabling an enemy to obtain money or credit thereon or thereby he shall be deemed to be guilty of the offence of trading with the enemy within the meaning of the principal Act.

11.—(1) In addition to the grounds on which an application can be made to the court by the Board of Trade to appoint a controller under section three of the principal Act, such an application may

Additional ground for appointment of controller.

be made in any case in which the Board think it is expedient in the public interest that a controller should be appointed owing to circumstances or considerations arising out of the present war, and that section shall be construed accordingly.

NOTE.—In the case of the Aramayo Francke Mines, Ltd. (1917, *Law Journal*, Chancery, vol. lxxxvi, p. 225), the Court, on the application of the Board of Trade, made an order for the appointment of a Controller of a British company in which there was no enemy control, and the products of whose mines in Bolivia were chiefly utilized for the benefit of this country merely in order to prevent the transfer of the business to a Swiss company, on the ground that such transfer would withdraw the disposal of the company's products from British jurisdiction and control.

(2) Section three of the principal Act, as amended by this section, shall extend so as to enable a controller to be appointed of a business carried on by a person in like manner as it applies to the appointment of a controller of a business carried on by a firm.

12.—(1) Where, on the report of an inspector appointed to inspect the books and documents of a person, firm or company under section two of the principal Act, it appears to the Board of Trade that it is expedient that the business should be subject to frequent inspection or constant supervision, the Board of Trade may appoint that inspector or some other person to supervise the business with such powers as the Board of Trade may determine, and any remuneration payable and expenses incurred, whether for the original inspection or the subsequent supervision, to such amount as may be fixed by the Board of Trade, shall be paid by the said person, firm or company.

Amendment  
of s. 2 of  
principal  
Act.

(2) Paragraph (c) of subsection (2) of section two of the principal Act shall have effect and shall be deemed always to have had effect as if for the word "trading" there were substituted the word "resident."

13. Where a person has given any information to a person appointed to inspect the books and documents of a person, firm or company under section two of the principal Act, the information so given may be used in evidence against him in any proceedings relating to offences of trading with the enemy within the meaning of the principal Act, notwithstanding that he only gave the information on being required so to do by the inspector, in pursuance of his powers under the said section.

Power to  
use informa-  
tion in  
evidence  
against  
informant

14.—(1) This Act may be cited as the Trading with the Enemy Amendment Act, 1914, and shall be construed as one with the principal Act.

Short title  
and con-  
struction.

(2) No person or body of persons shall, for the purposes of this Act, be treated as an enemy who would not be so treated for the purpose of any proclamation issued by His Majesty dealing with trading with the enemy for the time being in force, and the expression "commencement of the present war" shall mean as respects any enemy the date on which war was declared by His Majesty on the country in which that enemy resides or carries on business.



(3) In the application of this Act to Scotland "real property" shall mean "heritable property"; "personal property" shall mean "movable property"; "choses in action" shall mean "right of action"; "attached or otherwise taken in execution" shall mean "arrested in execution or in security, or otherwise affected by diligence"; "assignment" shall mean "assignation"; "judgment has been recovered" shall mean "decree has been obtained"; a reference to a vesting order made under the Trustee Act, 1893, shall be construed as a reference to a warrant to complete a title granted under section twelve of the Trusts (Scotland) Act, 1867, and any money paid into the Court of Session in terms of this Act shall be paid in such manner as may be prescribed by Act of sederunt.

(4) Nothing in this Act shall be construed as limiting the power of His Majesty by proclamation to prohibit any transaction which is not prohibited by this Act, or by licence to permit any transaction which is so prohibited.

NOTE.—The Rules under this Act will be found in Appendix VIII.

## CUSTOMS (WAR POWERS) ACT, 1915

[5 GEO. 5, CH. 31]

*An Act to amend the enactments relating to Customs during the present War.*

[16th March 1915.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1.—(1) Where any goods are prohibited either to be exported or carried coastwise, or any goods are prohibited to be exported to any named country or place, it shall not be lawful for any person to ship as stores on any vessel any of the goods to which the prohibition extends, except such quantity of any of those goods as may be allowed to be so shipped by the proper officer of Customs and Excise as being reasonably required to be shipped at the port of departure for use on board the vessel during the voyage on which it is about to depart.

(2) If any person ships as stores any goods, or brings any goods to any quay or other place with intent to ship the same as stores, in contravention of this section, the goods shall be forfeited and he shall for each offence be liable to a penalty of one hundred pounds.

2. The power of the Commissioners of Customs and Excise under section one hundred and thirty-nine of the Customs Consolidation Act, 1876, by order to require due entry and clearance before shipment shall apply to goods intended for shipment as stores on any ship being goods subject to any prohibition or restriction

Provision  
with respect  
to shipment  
as stores of  
prohibited or  
restricted  
goods.

Pre-entry of  
ship's stores.

outwards, as it applies to goods intended for exportation or carriage coastwise.

3. Where the master of any coasting ship has rendered himself liable to a penalty under section six of the Customs and Inland Revenue Act, 1878, by departing without due clearance of his ship, the Commissioners of Customs and Excise may, for the purpose of enforcing the said penalty, require the deposit in the hands of the collector of Customs and Excise at any port where the ship is found of such sum not exceeding one hundred pounds as they think fit and in default of payment of the sum so required to be deposited the ship may be detained.

Provision as to coasting ships departing without clearance.

4. Where a licence to export any goods, being goods subject to any prohibition or restriction outwards, authorizes the exportation thereof to a particular person or place or to a particular person at a particular place named in the licence, the name of the person or place, or both, as the case may be, shall be inserted in all invoices, bills of lading, manifests and other documents relating to the goods, and if this requirement is not complied with as respects any documents the person by whom or on whose behalf the document is made out shall, if he is the exporter of the goods, be deemed to have exported the goods without a licence, and, if any other person, be liable to a penalty of one hundred pounds.

Provision as to exportation of goods under licence.

5.—(1) Where in pursuance of any order made by the Commissioners of Customs and Excise under section one hundred and thirty-nine of the Customs Consolidation Act, 1876, a person in the course of making entry before shipment makes a declaration as to the ultimate destination of any goods then, unless security has been given by bond, the exporter shall, if so required by the Commissioners of Customs and Excise, produce evidence to their satisfaction that those goods have not reached a destination in any territory which, under any Proclamation issued by His Majesty dealing with trading with the enemy for the time being in force, is or is treated as enemy country, and if he fails to do so shall be liable to a penalty of treble the value of the goods or one hundred pounds at the election of the Commissioners, unless he proves that they reached such destination without his consent or connivance, and that he took all reasonable steps to secure that the ultimate destination of the goods should be the destination mentioned in the declaration.

Provisions as to declarations as to ultimate destination of exported goods.

(2) If the Commissioners of Customs and Excise have reason to suspect that any such declaration as aforesaid is false in any material particular, the goods may be detained until the Commissioners are satisfied as to the truth of the declaration, and, failing such satisfaction, may be treated as if they were goods subject to a prohibition or restriction outwards.

6. Where the Commissioners of Customs and Excise have reason to suspect that the country of origin of any goods imported into the United Kingdom is an enemy country within the meaning of the last preceding section, the goods may be seized as though they

Power to seize imported goods of enemy origin.



were goods enumerated and described in the table of prohibitions and restrictions inwards contained in section forty-two of the Customs Consolidation Act, 1876, and in any proceedings for the forfeiture and condemnation thereof the country of origin of such goods shall be deemed to be such an enemy country unless the contrary is proved.

7.—(1) This Act may be cited as the Customs (War Powers) Act, 1915, and shall be construed together with the Customs Consolidation Act, 1876, and any enactments amending that Act.

(2) This Act shall continue in force only during the continuance of the present war.

## CUSTOMS (WAR POWERS) (NO. 2) ACT, 1915

[5 & 6 GEO. 5, CH. 71]

*An Act to extend the Customs (War Powers) Act, 1915*

[29th July, 1915.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

1. The Customs (War Powers) Act, 1915, shall be read as if the following subsection were substituted for subsection (1) of section five of that Act :—

“(1) Where in pursuance of any order made by the Commissioners of Customs and Excise under section one hundred and thirty-nine of the Customs Consolidation Act, 1876, a person, in the course of making entry before shipment, makes a declaration as to the person or country for whom any goods are ultimately destined, then, unless security has been given by bond, the exporter shall, if and when required by the Commissioners of Customs and Excise, produce evidence to their satisfaction that those goods have not reached a person who is an enemy or treated as an enemy, or a country which is an enemy country or treated as an enemy country, under any law for the time being in force relating to trading with the enemy ; and if he fails to do so he shall be liable to a penalty of treble the value of the goods, or one hundred pounds, at the election of the Commissioners, unless he proves that the goods reached the person or country without his consent or connivance, and that he took all reasonable steps to secure that the ultimate destination of the goods should be the person or country mentioned in the declaration.”

2. The power under section six of the Customs (War Powers) Act, 1915, to seize imported goods suspected to be of enemy origin shall be extended so as to apply to any goods which the Commissioners of Customs and Excise have reason to suspect are

Short title,  
construction,  
and dura-  
tion.

Provision  
as to  
declarations  
as to ulti-  
mate des-  
tination of  
exported  
goods.

Extension  
of Customs  
(War  
Powers)  
Act, 1915,  
s. 6.

being imported in contravention of the law relating to trading with the enemy.

3. This Act may be cited as the Customs (War Powers) (No. 2) Act, 1915.<sup>1</sup> Short title.

## TRADING WITH THE ENEMY AMENDMENT ACT, 1915

[5 & 6 GEO. 5, CH. 79]

*An Act to amend the Trading with the Enemy Acts, 1914*

[29th July, 1915.]

BE it enacted by the King's most excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

1.—(1) Section two of the Trading with the Enemy Amendment Act, 1914 (hereinafter referred to as the principal Act), which relates to the payment to the custodian of dividends, interest, and profits payable to or for the benefit of enemies, shall extend to sums which, had a state of war not existed, would have been payable and paid in the United Kingdom to enemies—

Payment of dividends, &c., payable to enemy.

(a) in respect of interest on securities issued by or on behalf of the Government or the Government of any of His Majesty's Dominions or any foreign Government, or by or on behalf of any corporation or any municipal or other authority whether within or without the United Kingdom ; and

(b) by way of payment off of any securities which have become repayable on maturity or by being drawn for payment or otherwise, being such securities as aforesaid or securities issued by any company ;

and in the case of such sums as aforesaid (other than sums in respect of the payment off of securities issued by a company) the duty of making payments to the custodian and of requiring payments to be made to him and of furnishing him with particulars shall rest with the person, firm or company through whom the payments in the United Kingdom are made, and the said section shall apply accordingly, and as if for references therein to the date of the passing of the principal Act there were substituted references to the date of the passing of this Act.

(2) Where the custodian is satisfied from returns made to him under section three of the principal Act that any such securities as aforesaid (including securities issued by a company) are held by any person on behalf of an enemy, the custodian may give notice thereof to the person, firm or company by or through whom any dividends, interest or bonus in respect of the securities or any sums by way of payment off of the securities are payable, and upon the receipt of such notice any dividends, interest or bonus, payable in respect of, and any sums by way of payment off of

<sup>1</sup> The Customs (War Power), 1916, will be found in Appendix VII.

the securities to which the notice relates shall be paid to the custodian in like manner as if the securities were held by an enemy.

(3) For the purposes of this section "securities" includes stock, shares, annuities, bonds, debentures or debenture stock or other obligations.

Notification  
of bank  
balances,  
deposits, or  
debts due to  
enemies.

2.—(1) Subsection (1) of section three of the principal Act, which requires returns to be made to the custodian of property held or managed for or on behalf of enemies, shall apply to balances and deposits standing to the credit of enemies at any bank, and to debts to the amount of fifty pounds or upwards, which are due, or which, had a state of war not existed, would have been due, to enemies, as if such bank or debtor were a person who held property on behalf of an enemy, and as if for references to the passing of the principal Act there were substituted references to the passing of this Act.

(2) The duty of making returns under the said subsection as so amended shall extend to companies as if the expression "person" included company, and if any company fails to comply with the provisions of that subsection as so amended every director, manager, secretary, or officer of the company who is knowingly a party to the default shall, on summary conviction, be liable to a fine not exceeding one hundred pounds, or to imprisonment with or without hard labour for a term not exceeding six months, or to both such a fine and imprisonment, and in addition to a further fine not exceeding fifty pounds for every day during which the default continues.

(3) The custodian shall keep a register of all property returns whereof have been made to him under section three of the principal Act as amended by this section, and such register may be inspected by any person who appears to the custodian to be interested as a creditor or otherwise.

Invalidity of  
assignment  
of debts by  
enemies or  
transfers of  
shares in  
company,  
&c.

3. Sections six, seven, and eight of the principal Act shall apply as if the expression "enemy," where used in those sections, included any person or body of persons who is an enemy or treated as an enemy under any proclamations relating to trading with the enemy for the time being in force:

Provided that the said sections six and eight shall apply as respects persons who were not enemies, nor treated as enemies, under the proclamations in force on the nineteenth day of November nineteen hundred and fourteen, with the substitution of references to the nineteenth day of July nineteen hundred and fifteen for references to the said nineteenth day of November, and of references to the date of the passing of this Act for references to the date of the passing of the principal Act, and except in cases where a licence has been duly granted exempting any particular transaction from the provisions of any of the said sections.

Limitation  
on powers  
of certain  
companies  
to commence  
proceedings.

4. No action shall be brought or other proceedings commenced by a company the books and documents of which are liable to inspection under subsection (2) of section two of the Trading with



the Enemy Act, 1914, unless notice in writing has previously been given by the company to the custodian of their intention.

5. This Act may be cited as the Trading with the Enemy Amendment Act, 1915, and shall be construed as one with the principal Act; and the Trading with the Enemy Act, 1914, the Trading with the Enemy Amendment Act, 1914, and this Act shall be cited together as the Trading with the Enemy Acts, 1914 and 1915.

Short title  
and con-  
struction.

## TRADING WITH THE ENEMY (EXTENSION OF POWERS) ACT, 1915

[5 & 6 GEO. 5, CH. 98]

*An Act to provide for the Extension of the Restrictions relating to Trading with the Enemy to persons to whom, though not resident or carrying on Business in Enemy territory, it is by reason of their Enemy Nationality or Enemy Associations expedient to extend such Restrictions.*

[23rd December, 1915.]

BE it enacted as follows :—

1.—(1) His Majesty may by proclamation prohibit all persons or bodies of persons, incorporated or unincorporated, resident, carrying on business, or being in the United Kingdom from trading with any persons or bodies of persons not resident or carrying on business in enemy territory or in territory in the occupation of the enemy (other than persons or bodies of persons, incorporated or unincorporated, residing or carrying on business solely within His Majesty's dominions) wherever by reason of the enemy nationality or enemy association of such persons or bodies of persons, incorporated or unincorporated, it appears to His Majesty expedient so to do, and if any person acts in contravention of any such proclamation he shall be guilty of a misdemeanour triable and punishable in like manner as the offence of trading with the enemy.

Power to  
prohibit  
trading with  
persons of  
enemy  
nationality,  
&c.

(2) Any list of persons and bodies of persons, incorporated or unincorporated, with whom such trading is prohibited by a proclamation under this Act may be varied or added to by an order made by the Lords of the Council on the recommendation of a Secretary of State.

Lists of  
persons  
with whom  
trading is  
prohibited.

(3) The provisions of the Trading with the Enemy Acts, 1914 and 1915, and of the Customs (War Powers) (No. 2) Act, 1915, and all other enactments relating to trading with the enemy, shall, subject to such exceptions and adaptations as may be prescribed by order in council, apply in respect of such persons and bodies of persons as aforesaid, as if for reference therein to Trading with the Enemy there were substituted references to trading with such persons as aforesaid, and for references to enemies there were substituted references to such person and bodies of persons as aforesaid, and for references to offences



under the Trading with the Enemy Acts, 1914 and 1915, or any of those Acts, there were substituted references to offences under this Act.

(4) For the purposes of this Act a person shall be deemed to have traded with a person or body of persons to whom a proclamation issued under this Act applies, if he enters into any transaction or does any act with, to, on behalf of, or for the benefit of, such a person or body of persons which if entered into or done with, to, on behalf of, or for the benefit of, an enemy would be trading with the enemy.

Short title.

2.—This Act may be cited as the Trading with the Enemy (Extension of Powers) Act, 1915.

ORDER IN COUNCIL UNDER THE TRADING WITH THE ENEMY (EXTENSION OF POWERS) ACT, 1915 (5 & 6 GEO. 5, C. 98), MAKING EXCEPTIONS AND ADAPTATIONS IN THE TRADING WITH THE ENEMY ACTS, 1914 TO 1916, AND THE CUSTOMS (WAR POWERS) ACTS, 1915 AND 1916, IN THEIR APPLICATION TO PERSONS OR BODIES OF PERSONS MENTIONED IN THE STATUTORY LIST

At the Court at Buckingham Palace, the 23rd day of May, 1916.

PRESENT

The King's Most Excellent Majesty in Council

Whereas by a Royal Proclamation, bearing even date herewith, called "The Trading with the Enemy (Statutory List) Proclamation, 1916, No. 3," and issued under the provisions of the Trading with the Enemy (Extension of Powers) Act, 1915, it is declared that all persons or bodies of persons, incorporated or unincorporated, resident, carrying on business, or being in the United Kingdom are prohibited from trading with any of the persons or bodies of persons mentioned in the List in such Proclamation (which List is therein and herein called the Statutory List), and that the provisions of the Trading with the Enemy Acts, 1914 to 1916, and of the Customs (War Powers) Acts, 1915 and 1916, and all other enactments relating to trading with the enemy shall, subject to such exceptions and adaptations as are prescribed by Order in Council of even date therewith, meaning thereby this Order, or as may be prescribed by any Order in Council hereafter to be issued, apply in respect of the persons and bodies of persons mentioned in the Statutory List as if for references in such enactments to trading with the enemy there were substituted references to trading with the persons and bodies of persons mentioned in the Statutory List and for references to enemies there were substituted references to the persons and bodies of persons mentioned in the Statutory List.

And whereas it is expedient to make such exceptions and adaptations in the provisions of the said Acts and enactments as are herein prescribed:—

Now, therefore, His Majesty, by virtue of the powers in this behalf by the Trading with the Enemy (Extension of Powers) Act, 1915, or otherwise vested in Him, is pleased, by and with the advice of His Privy Council, to order, and it is hereby ordered, as follows:—

1. The said Acts and enactments shall apply in respect of the persons and bodies of persons mentioned in the Statutory List as if for references therein to trading with the enemy there were substituted references to trading with the persons and bodies of persons mentioned in the Statutory List, and for references to enemies there were substituted references to those persons and bodies of persons, and for references to offences under the Trading with the Enemy Acts, 1914 to 1916, or any of those Acts, there were substituted references to offences under the Trading with the Enemy (Extension of Powers)

Act, 1915, and subject to the following exceptions and adaptations that is to say :—

A. In the application of the Trading with the Enemy Act, 1914 :—

For the reference in Section 1 to the 4th day of August, 1914, shall be substituted a reference to the date of this Order, or in respect of any person or body of persons added to the Statutory List to the date of the Order adding him or them to the Statutory List.

B. In the application of the Trading with the Enemy Amendment Act, 1914 :—

(1) Sections 2, 3, 4, and 5 shall not apply.

(2) For the references in Section 6 to the commencement of the present war, and to the 19th day of November, 1914, wherever such expressions respectively occur, shall be substituted references to the date of this Order or in respect of any person or body of persons added to the Statutory List to the date of the Order adding him or them to the Statutory List.

(3) For the reference in Section 7 to the commencement of the present war, shall be substituted a reference to the date of this Order, or in respect of any person or body of persons added to the Statutory List to the date of the Order adding him or them to the Statutory List.

(4) For the reference in Section 8 to the passing of the Act, shall be substituted a reference to the date of this Order, or in respect of any person or body of persons added to the Statutory List to the date of the Order adding him or them to the Statutory List, and for the reference to hereafter in that Section shall be substituted a reference to after the date of this Order, or in respect of any person or body of persons added to the Statutory List to after the date of the Order adding him or them to the Statutory List.

(5) For the reference in Section 10 to the 4th day of August, 1914, shall be substituted a reference to the date of this Order, or in respect of any person or body of persons added to the Statutory List to the date of the Order adding him or them to the Statutory List.

C. The Trading with the Enemy Amendment Act, 1915, shall not apply.

D. In the application of the Customs (War Powers) (No. 2) Act, 1915 :—

The reference in Section 1 to the law relating to trading with the enemy shall be deemed to include a reference to the Trading with the Enemy (Extension of Powers) Act, 1915.

E. In the application of the Customs (War Powers) Act, 1916 :—

The reference in Section 1 to contravention of the law relating to trading with the enemy shall be deemed to include a reference to contravention of the Trading with the Enemy (Extension of Powers) Act, 1915.

*Almeric FitzRoy.*

ORDER OF COUNCIL UNDER SECTION 1 (2) OF THE TRADING WITH THE ENEMY (EXTENSION OF POWERS) ACT, 1915 (5 & 6 GEO. 5, C. 98), FURTHER VARYING THE STATUTORY LIST CONTAINED IN THE TRADING WITH THE ENEMY (STATUTORY LIST) PROCLAMATION, 1916, NO. 3. (See p. 194.)

At the Council Chamber, Whitehall, the 28th day of April, 1919.

By the Lords of His Majesty's Most Honourable Privy Council.

Whereas His Majesty has been pleased, in exercise of the power in that behalf conferred on Him by section one, subsection one, of the Trading with the Enemy (Extension of Powers) Act, 1915, by divers Proclamations, and in particular by a Proclamation dated the 23rd day of May, 1916, entitled "The Trading with the Enemy (Statutory List) Proclamation, 1916, No. 3," to prohibit all persons or bodies of persons, incorporated or unincorporated, resident, carrying on business, or being in the United Kingdom from trading with any of the persons or bodies of persons mentioned in the List contained in the last-mentioned Proclamation, such List being therein referred to as the Statutory List :

And whereas by section one, subsection two, of the said Act, it is provided

that any List of persons and bodies of persons, incorporated or unincorporated, with whom such trading is prohibited by a Proclamation under the said Act may be varied or added to by an Order made by the Lords of the Council on the recommendation of a Secretary of State :

And whereas the Statutory List contained in the last-mentioned Proclamation has been varied and added to by subsequent Orders of Council :

And whereas there was this day read at the Board a recommendation from the Secretary of State for Foreign Affairs to the following effect :—

That the Statutory List should be further varied and added to as set forth in the Schedule hereto.

Now, therefore, Their Lordships, having taken the said recommendation into consideration, are pleased to order, and it is hereby ordered, that the Statutory List be varied and added to as set forth in the Schedule hereto.

Whereof the Right Honourable Arthur James Balfour, one of His Majesty's Principal Secretaries of State, the Controller of the Foreign Trade Department, and all other persons whom it may concern, are to take notice and govern themselves accordingly.

*Almeric FitzRoy.*

#### *Schedule*

#### REMOVALS FROM LIST

All names in Africa, America, Asia, and Europe.

### TRADING WITH THE ENEMY AMENDMENT ACT, 1916

[5 & 6 GEO. 5, CH. 105]

*An Act to amend the Trading with the Enemy Acts.*

[27th January, 1916.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

1.—(1) Where it appears to the Board of Trade that the business carried on in the United Kingdom by any person, firm, or company is, by reason of the enemy nationality or enemy association of that person, firm, or company, or of the members of that firm or company or any of them, or otherwise, carried on wholly or mainly for the benefit of or under the control of enemy subjects, the Board of Trade shall, unless for any special reason it appears to them inexpedient to do so, make an order either—

(a) prohibiting the person, firm, or company from carrying on the business, except for the purposes and subject to the conditions, if any, specified in the order ; or

(b) requiring the business to be wound up.

The Board of Trade may at any time revoke or vary any such order, and may, in any case where they have made an order prohibiting or limiting the carrying on of the business, at any time, if they think it expedient, substitute for that order an order requiring the business to be wound up.

NOTE.—In *Continho Caro & Co. v. Vermont & Co.* (1917, *L.J.*, K.B., vol. lxxxvi, p. 1532) it was held that the Board of Trade had power to confer upon a

Power to deal with businesses of persons, &c., of enemy nationality or associations.



Controller appointed to wind up a business under this subsection the right to sue on behalf of an enemy in order to recover payment for goods sold before the war. Mr. Justice Atkin said in the course of his judgment in this case, "The disability to sue, like the disability to enter into commercial intercourse, is intended for the disadvantage of the enemy; and as commercial intercourse can be rendered lawful by the licence of the executive authority, so, I think, can the right of suit be licensed at any rate indirectly."

(2) Where the Board of Trade make any such order they may at the same time or at any time subsequently appoint a controller to control and supervise the carrying out of the order and, if the case requires, to conduct the winding up of the business, and in any case where it appears expedient to the Board of Trade, the Board may, as occasion requires, confer on the controller such powers as are exercisable by a liquidator in a voluntary winding-up of a company (including power in the name of the person, firm, or company, or in his own name, and by deed or otherwise, to convey or transfer any property, and power to apply to the High Court or a judge thereof to determine any question arising in the carrying out of the order), or those powers subject to such modifications, restrictions or extensions as the Board think necessary or convenient for the purpose of giving full effect to the order, and the remuneration of and costs, charges, and expenses incurred by the controller, and any remuneration payable and costs, charges, and expenses incurred in connexion with the supervision or inspection of the business, whether before or after the passing of this Act, to such amount as may be approved by the Board, shall be defrayed out of the assets of the business, and shall be charged on such assets in priority to any other charges thereon.

In England and Wales an official receiver may, if the Board of Trade think fit, be appointed controller.

NOTE.—The powers conferred under this subsection upon a Controller appointed to wind up the British business of a company were held to override the powers of a receiver and manager appointed by the Court at the instance of the debenture holders. (*In re Kastner & Co.*, 1917, *Law Journal*, Chancery, vol. lxxxvi, p. 235.)

(3) The distribution of any sums or other property resulting from the realization of any assets of the business, whether those assets are realized as the result of an order requiring the business to be wound up or as the result of an order prohibiting or limiting the carrying on of the business, shall be subject to the same rules as to preferential payments as are applicable to the distribution of the assets of a company which is being wound up, and those assets shall, so far as they are available for discharging unsecured debts, be applied in discharging such debts due to creditors who are not enemies in priority to the unsecured debts due to creditors who are enemies; and any balance, after providing for the discharge of liabilities, shall be distributed amongst the persons interested therein in such manner as the Board of Trade may direct:

Provided that any sums or other property which had a state of war not existed would have been payable or transferable under



this section to enemies, whether as creditors or otherwise, shall be paid or transferred to the custodian under the Trading with the Enemy Amendment Act, 1914, to be dealt with by him in like manner as money paid to him under that Act.

NOTE.—In Hagelberg's case it was held that the creditors referred to in this subsection were creditors of the business (as mentioned in subsection 4) and not of the company (as mentioned in subsection 7)—and that unsecured creditors of an enemy company were not entitled to rank as creditors in the winding-up of the business of the branch in this country *pari passu* with creditors of the branch. Mr. Justice Younger incidentally pointed out that the effect of subsection 3 was to give enemy subjects in a neutral country a preference in distribution over enemies in the strict sense of the word who need not be enemies at all, e.g. Allied or neutral subjects resident in enemy territory (1917, *Law Journal*, Chancery, vol. lxxxvi, p. 18).

The assets referred to in this subsection did not include a company's uncalled capital, which, being an asset of the company and not of the business, could not be applied to meet the claims of business creditors to the prejudice of the general creditors of the company, and the Board of Trade, therefore, could not empower a Controller to make calls upon such capital. (*In re Goldschmidt, Ltd.*, 1917, *Law Journal*, Chancery, vol. lxxxvi, p. 51.)

In the case of Meyers Sohn, Ltd. (1917, *Law Journal*, Chancery, vol. lxxxvi, p. 527), it was held that this subsection did not authorize a Controller to distribute surplus assets of a business wound up under the Act to the British shareholders of the business, leaving the German shareholders to obtain satisfaction out of the company's assets in Germany, since this would amount to a return of capital without a liquidation and without regard to the company's general debts.

(4) Where there are assets of the business in enemy territory, the controller shall cause an estimate to be prepared of the value of those assets and also of the liabilities of the business to creditors, whether secured or unsecured, in enemy territory, and of the claims of persons in enemy territory to participate in the distribution of any balance available for distribution, and such liabilities and claims shall, for the purposes of this section, be deemed to have been satisfied out of such assets so far as they are capable of bearing them, and the balance (if any), of such liabilities and claims shall alone rank for payment out of the other assets of the business. A certificate by the controller as to the amount of such assets, liabilities, claims and balance shall be conclusive for the purpose of determining the sums available for discharging the other liabilities and for distribution amongst other persons claiming to be interested in the business :

Provided that nothing in this provision shall affect the rights of creditors of and other persons interested in the business against the assets of the business in enemy territory.

(5) The Board of Trade may, on application for the purpose being made by a controller appointed under this section, after considering the application and any objection which may be made by any person who appears to them to be interested, grant him a release, and an order of the Board releasing the controller shall discharge him from all liability in respect of any act done or default made by him in the exercise and performance of his powers and duties as controller, but any such order may be

revoked on proof that it was obtained by fraud or by suppression or concealment of any material fact.

(6) If any person contravenes the provisions of any order made under this section he shall be guilty of a misdemeanour punishable and triable in like manner as the offence of trading with the enemy, and section one of the Trading with the Enemy Act, 1914, shall apply accordingly.

(7) Where an order under this section has been made as respects the business carried on by any person, firm, or company, no bankruptcy petition or petition for sequestration or summary sequestration against such person or firm, or petition for the winding-up of such company, shall be presented, or resolution for the winding-up of such company passed, or steps for the enforcement of the rights of any creditors of the person, firm, or company taken, without the consent of the Board of Trade, but the Board of Trade may present a petition for the winding up of the company by the court, and the making of an order under this section shall be a ground on which the company may be wound up by the court.

(8) The Board of Trade shall from time to time prepare and lay before Parliament lists of the persons, firms, and companies as to whom orders have been made under this section, together with short particulars of such orders, and notice of the making of an order under this section prohibiting or limiting the carrying on of any business, or requiring any business to be wound up, shall be published in the *London, Edinburgh, or Dublin Gazette*, as the case may require.

(9) Where a person, being a subject of His Majesty or of any State allied to His Majesty, is detained in enemy territory against his will, that person for the purposes of this section shall not be treated as an enemy or as being in enemy territory.

(10) An order made under this Section shall continue in force notwithstanding the termination of the present war until determined by order of the Board of Trade.

NOTE.—In the case of Francke and Rasch it was held that a British creditor holding bills accepted before the war, payable in Germany and Austria at dates subsequent to the outbreak of war, the maturity of which had been postponed by German war legislation, could not claim payment in respect of such bills out of the assets of the drawers in this country whose business was being wound up. (1918, *Law Journal*, Chancery, vol. lxxxvii, p. 273.)

In Dieckman's case (1918, *Law Journal*, Chancery, vol. lxxxvii, p. 138) it was held that a winding-up under this Act did not extinguish the liability of the owner of the business under the covenants of a lease under which he held the business premises, and that, since the Act provided for the satisfaction of existing and not of future liabilities, the lessor could not claim against the assets of the business for future rent, his remedy in respect thereof being against the owner.

2. Where it appears to the Board of Trade that a contract entered into before or during the war with an enemy or enemy subject or with a person, firm, or company in respect of whose

Provision as to contracts against public interest.

business an order shall have been made under section one of this Act is injurious to the public interest, the Board of Trade may by order cancel or determine such contract either unconditionally or upon such conditions as the Board may think fit, and thereupon such contract shall be deemed to be cancelled or determined accordingly.

3. The power of the Board of Trade to appoint inspectors and supervisors under the Trading with the Enemy Acts, 1914 and 1915, shall include a power to appoint an inspector or supervisor of the business carried on by any person, firm, or company in the United Kingdom for the purpose of ascertaining whether the business is carried on for the benefit of or under the control of enemy subjects, or for the purpose of ascertaining the relations existing, or which before the war existed, between such person, firm, or company, or of any members of that firm or company, and any such subject; and the Board of Trade may require any inspector, supervisor, or controller appointed under the said Acts or this Act to furnish them with reports on any matters connected with the business.

4.—(1) The Board of Trade, in any case where it appears to them to be expedient to do so, may by order vest in the custodian under the Trading with the Enemy Amendment Act, 1914, any property, real or personal (including any rights whether legal or equitable, in or arising out of property, real or personal), belonging to or held or managed for or on behalf of an enemy or enemy subject, or the right to transfer that property, and may by any such order, or any subsequent order, confer on the custodian such powers of selling, managing and otherwise dealing with the property as to the Board may seem proper.

(2) A vesting order under this section as respects property of any description shall be of the like purport and effect as a vesting order as respects property of the same description made by the High Court under the Trustee Act, 1893, and shall be sufficient to vest in the custodian any property, or the right to transfer any property as provided by the order, without the necessity of any further conveyance, assurance, or document.

(3) Where in exercise of the powers conferred on him by the Board of Trade or by the court under this Act or by virtue of the Trading with the Enemy Amendment Act, 1914, the custodian proposes to sell any shares or stock forming part of the capital of any company or any securities issued by the company in respect of which a vesting order under either of the said enactments has been made, the company may, with the consent of the Board of Trade, purchase the shares, stock, or securities, any law or any regulation of the company to the contrary notwithstanding, and any shares, stock, or securities so purchased may from time to time be re-issued by the company.

(4) The transfer on sale by the custodian of any property shall be conclusive evidence in favour of the purchaser and of the

Extension  
of powers  
to appoint  
inspectors  
and super-  
visors.

Power of  
Board of  
Trade to  
vest enemy  
property in  
custodian.



custodian that the requirements of this section have been complied with.

(5) All property vested in the custodian under this section, and the proceeds of the sale of, or money arising from, any such property shall be dealt with by him in like manner as money paid to and property vested in him under the Trading with the Enemy Amendment Act, 1914, and section five of that Act as amended by this Act shall apply accordingly.<sup>1</sup>

5. It shall be the duty of every enemy subject who is within the United Kingdom, if so required by the custodian, within one month after being so required, to furnish the custodian with such particulars as to—

Duty of enemy subjects to make returns as to property.

(a) any stocks, shares, debentures, or other securities issued by any company, government, municipal or other authority held by him or in which he is interested ; and

(b) any other property of the value of fifty pounds or upwards belonging to him or in which he is interested

as the custodian may require, and if he fails to do so he shall, on conviction under the Summary Jurisdiction Acts, be liable to a fine not exceeding one hundred pounds, or to imprisonment with or without hard labour for a term not exceeding six months, or to both such a fine and imprisonment, and, in addition, to a further fine not exceeding fifty pounds for every day during which the default continues.

6. If the benefit of an application made by or on behalf or for the benefit of an enemy or enemy subject for any patent is, by an order under the Trading with the Enemy Amendment Act, 1914, or this Act, vested in the custodian, the patent may be granted to the custodian as patentee and may, notwithstanding anything in section twelve of the Patents and Designs Act, 1907, be sealed accordingly by the Comptroller General of Patents, Designs, and Trade Marks, and any patent so granted to the custodian shall be deemed to be property vested in him by such order as aforesaid.

Right of custodian to have enemy patent granted to him.

7. Any restrictions imposed by any Act or Proclamation on dealings with enemy property shall continue to apply to property particulars whereof are or are liable to be notified to the custodian in pursuance of section three of the Trading with the Enemy Amendment Act, 1914, as extended by any subsequent enactment, not only during the continuance of the present war, but thereafter until such time as they may be removed by Order in Council, and Orders in Council may be made removing all or any of those restrictions either simultaneously as respects all such property or at different times as respects different classes or items of property.

Duration of restrictions on dealings with enemy property.

8.—(1) Where the custodian executes a transfer of any shares, stock, or securities which he is empowered to transfer by a vesting order made under section four of the Trading with the Enemy

Registration of transfer without production of certificates, &c.

<sup>1</sup> As to effect of vesting orders see cases cited on pp. 130, 131.



Amendment Act, 1914, or under this Act, the company or other body in whose books the shares, stock, or securities are registered shall, upon the receipt of the transfer so executed by the custodian, and upon being required by him so to do, register the shares, stock, or securities in the name of the custodian or other transferee, notwithstanding any regulation or stipulation of the company or other body, and notwithstanding that the custodian is not in possession of the certificate, scrip, or other document of title relating to the shares, stock, or securities transferred, but such registration shall be without prejudice to any lien or charge in favour of the company or other body or to any other lien or charge of which the custodian has notice.

(2) If any question arises as to the existence or amount of any lien or charge the question may, on application being made for the purpose, be determined by the High Court or a judge thereof.

9. Where a vesting order has been made under section four of the Trading with the Enemy Amendment Act, 1914, or under this Act as respects any property belonging to or held or managed for or on behalf of a person who appeared to the Court or Board making the order to be an enemy or enemy subject, the order shall not nor shall any proceedings thereunder or in consequence thereof be invalidated or affected by reason only of such person having, prior to the date of the order, died or ceased to be an enemy or enemy subject or subsequently dying or ceasing to be an enemy or enemy subject, or by reason of its being subsequently ascertained that he was not an enemy or an enemy subject, as the case may be.

10.—(1) Where on an application for the registration of a company it appears to the Registrar of Joint Stock Companies that any subscriber of the memorandum of association or any proposed director of the company is an enemy subject, he may refuse to register the company.

(2) No allotment or transfer of any share, stock, debenture, or other security issued by a company made after the passing of this Act to or for the benefit of an enemy subject, shall, unless made with the consent of the Board of Trade, confer on the allottee or transferee any rights or remedies in respect thereof, and the company by whom the security was issued shall not take any cognizance of or otherwise act upon any notice of any such transfer except by leave of a court of competent jurisdiction or of the Board of Trade.

If any company contravenes the provisions of this section the company shall be liable on conviction under the Summary Jurisdiction Acts to a fine not exceeding one hundred pounds, and every director, manager, secretary, or other officer of the company who is knowingly a party to the default shall be liable on conviction to a fine for a like amount or to imprisonment, with or without hard labour, for a term not exceeding six months.

(3) Where the right of nominating or appointing a director of

Validity of  
vesting  
orders.

Power to  
refuse regis-  
tration of  
companies  
in certain  
cases, &c.

a company is vested in any enemy or enemy subject, the right shall not be exercisable except by leave of the Board of Trade, and any director nominated or appointed in exercise of such right shall, except as aforesaid, cease to hold office as director.

11. Where the Board of Trade certify that it appears to them that a company registered in the United Kingdom is carrying on business either directly or through an agent, branch, or subsidiary company outside the United Kingdom, and that in carrying on such business it has entered into or done acts which if entered into or done in the United Kingdom would constitute the offence of trading with the enemy, the Board of Trade may present a petition for the winding-up of the company by the court, and the issue of such a certificate shall be a ground on which the company may be wound up by the court, and the certificate shall, for the purposes of the petition, be evidence of the facts therein stated.

Power of court to order winding-up of companies in certain circumstances.

12. In subsection (2) of section five of the Trading with the Enemy Amendment Act, 1914, for the words "by whose order any property belonging to an enemy was vested in the custodian under this Act or of any court in which judgment has been recovered against an enemy" there shall be substituted the word "thereof."

13. For removing doubts, it is hereby declared that the custodian under the Trading with the Enemy Acts, 1914 and 1915, has and shall be deemed always to have had power to charge such fees in respect of his duties under that Act and this Act, whether by way of percentage or otherwise as the Treasury may fix, and such fees shall be collected and accounted for by such persons in such manner and shall be paid to such account as the Treasury direct, and the incidence of the fees as between capital and income shall be determined by the custodian.

Fees payable to custodian.

14. All things required or authorized under the Trading with the Enemy Acts, 1914 and 1915, or this Act to be done by, to, or before the Board of Trade may be done by, to, or before the President or a Secretary or an Assistant Secretary of the Board of Trade, or any person authorized in that behalf by the President of the Board of Trade.

Mode of action by Board of Trade.

15. In this Act the expression "enemy subject" means a subject of a State for the time being at war with His Majesty, and includes a body corporate constituted according to the laws of such a State.

Definitions.

16. This Act may be cited as the Trading with the Enemy Amendment Act, 1916, and shall be construed as one with the Trading with the Enemy Acts, 1914 and 1915, and those Acts and this Act may be cited together as the Trading with the Enemy Acts, 1914 to 1916.

Short title and construction.

## APPLICATIONS UNDER THE TRADING WITH THE ENEMY (AMENDMENT) ACTS, 1914 &amp; 1916

## PRACTICE MEMORANDUM FOR THE ASSISTANCE OF THE PUBLIC

1. The first application is by Originating Summons in the Chancery Division, assigned to Mr. Justice Younger, and can only be made by a Creditor of the Enemy or a person otherwise interested in the Enemy's property or by the Custodian (i.e. the Public Trustee) or a Government Department.

2. Except so far as the Court may otherwise direct, the Enemy must be named as a Respondent, but is not served. The Public Trustee (as the Custodian under the Act) must in every case be made a Respondent and be served with the Summons.

3. The Summons should include all property belonging to or held for or on behalf of the Enemy of which the Applicant is able to obtain particulars, whether from returns to the Public Trustee or otherwise, and must contain a general clause to cover other assets of the Enemy not yet discovered.

4. Before issuing a Summons, every Debtor of the Enemy, or person holding Enemy property, or Company in which the Enemy has holdings should be written to and given notice of the intended application, and should be asked (a) whether the amount of the debt, the particulars of the property or the holdings in the Company, as the case may be, are admitted; (b) Whether any, and if so, what objection is raised to an Order vesting in the Custodian the debt property holdings, etc.; (c) Whether any claim to a lien charge or set-off is made, and if so what are the particulars thereof, and whether the Claimants will submit to such claims being dealt with in the proposed proceedings.

5. If the property consists of shares in a Company, the Certificates for which have not been found, the Company should be asked for the distinctive numbers of the shares registered in the Enemy's name and to whom the Certificates were sent, and efforts should be made to ascertain whether the Certificates are in England, and if so, in whose hands they are. Similar particulars should be asked for in regard to other holdings in Companies, e.g. debentures and stock. If the holdings, share or otherwise, are registered in the name of other persons, whether enemies or otherwise, as nominees or trustees for the Enemy, particulars should also be obtained of the registered holders, the distinctive numbers of the shares, etc.

6. Whether the Debtor, holder of property or Company raise no objection to a vesting order, he or they should not be made a Respondent or Respondents to or served with the Summons unless otherwise directed by the Master, but in case of objection, or where a difficulty arises, the Debtor, holder of property or Company may be made a Respondent and served. In cases of doubt, the direction of the Master should, however, first be obtained.

7. The correspondence with Debtors, holders of property or Companies should be made an exhibit to the affidavit in support of the Summons which should also establish the fact of the Enemy character of the alleged Enemy, and the nature and short particulars of the Applicant's claim against the Enemy, and give short particulars of the Enemy's assets in this country.

8. The Order made usually provides for the Enquiry as to claims against the Enemy of which the Custodian has notice.

9. Provision is usually made for payment of the costs of the Applicant, and, in proper cases, of the Respondents, out of the free vested property. It may be taken that all Respondents who give proper assistance to the Court will, as a general rule, have their costs provided for out of any free assets.

10. An application at the instance of an Applicant whose claim alone or in conjunction with other Creditors of whose claims the Public Trustee may have notice, exceeds the value of the Enemy property if entertained, is usually taken over by the Public Trustee.

11. In all applications by a Controller appointed by the Board of Trade under the Amendment Act, 1916, the Board of Trade must, if not Co-Appliants, be served with notice of the Summons, which should contain a general clause asking for the determination from time to time as may be sanctioned



by the Board of Trade of any further questions arising in the carrying out of the Order appointing him Controller or otherwise.

NOTE.—The above Memorandum is merely intended by way of assistance to practitioners, and it of course in no way supersedes the rules under the above Act dated the 11th January, 1915, and the 6th June, 1916, and such rules should therefore be referred to by intending Applicants.

## TRADING WITH THE ENEMY AND EXPORT OF PROHIBITED GOODS ACT, 1916

[6 & 7 GEO. 5, CH. 52]

*An Act to amend the law relating to Trading with the Enemy and the export of prohibited goods*

[18th December, 1916.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

1. If, for the purpose of obtaining any licence, authority, or approval for any transaction or matter under or in connexion with any Proclamation or Act relating to trading with the enemy, or for the purpose of obtaining a licence to export any goods the exportation of which without a licence is prohibited under any Proclamation or Order in, or of, Council, any person—

Penalties for false statements, &c.

(a) makes or presents any declaration or statement or representation which is false in any material particular ; or

(b) produces a guarantee certificate or undertaking which is false in any material particular, or has not been given by the person by whom it purports to have been given, or which has been in any way altered or tampered with ;

he shall be liable, on summary conviction, to a fine not exceeding five hundred pounds, or, alternatively, in the case of goods for export, treble the value of the goods, or to imprisonment with or without hard labour for a term not exceeding three months, or to both such fine and imprisonment, unless he proves that he had taken all reasonable steps to ascertain the truth of the statements made or contained in any document so presented or produced or to satisfy himself of the genuineness of the guarantee certificate or undertaking.

2. Where a person has been authorized under section two of the Trading with the Enemy Act, 1914, to inspect the books and documents of any person, firm, or company, and any book or document is found by him to have been destroyed, mutilated, or falsified, any person having or having had control of such book or document shall be guilty of a misdemeanour and liable to the same punishment as if he had been guilty of trading with the enemy unless he proves that the destruction, mutilation, or falsification was not intended for the purpose of concealing any

Penalty for mutilation of documents, &c.



transaction which would constitute an offence of trading with the enemy.

3. For removing doubts, it is hereby declared—

- (a) that in section two of the Customs (Exportation Restriction) Act, 1915 (which relates to penalties in respect of the exportation of goods in contravention of any Proclamation or Order in, or of, Council, under section eight of the Customs and Inland Revenue Act, 1879, or the Exportation of Arms Act, 1900, as amended by any subsequent enactments), the reference to goods exported includes goods brought to any quay or other place to be shipped for exportation in the United Kingdom; and
- (b) that in section one hundred and eighty-six of the Customs Consolidation Act, 1876 (which relates to illegal dealings in goods subject to prohibitions and restrictions), the references to prohibited or restricted goods and to any prohibitions and restrictions includes (except where the context otherwise requires) references to goods, the exportation of which is prohibited or restricted, and to prohibitions and restrictions on the export of goods.

Short title.

4. This Act may be cited as the Trading with the Enemy and Export of Prohibited Goods Act, 1916.

## TRADING WITH THE ENEMY (AMENDMENT) ACT, 1918

[8 & 9 GEO. 5, CH. 31]

*An Act to amend the enactments relating to Trading with the Enemy, and to extend temporarily certain of those enactments to the carrying on of banking business after the termination of the present war*

[8th August, 1918.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

1. In any case where the Board of Trade have before the passing of this Act made, or hereafter make, an order under the Trading with the Enemy Amendment Act, 1916 (in this Act referred to as the principal Act), requiring the business of a company to be wound up, the Board may make an order requiring the company to be wound up and appointing a liquidator to conduct the winding-up; and on the making of such an order the company shall be wound up as if it had on the date of the order passed a special resolution for voluntary winding-up and had appointed as liquidator the person named as liquidator in the order; and the provisions of the Companies (Consolidation) Act, 1908, shall apply accordingly subject to the modifications set forth in the Schedule to this Act.

Power to order winding-up of companies of enemy nationality or association.

2.—(1) During the period of five years immediately after the termination of the present war and thereafter until Parliament otherwise determine no banking business shall be carried on within the United Kingdom—

Restrictions on carrying on banking businesses for the benefit of or under the control of enemies after the war.

- (a) by a company which is an enemy-controlled corporation within the meaning of this Act ; or
- (b) by a firm or individual, if the business carried on is one with respect to which, if a state of war still continued, an order for the winding-up thereof could have been made under section one of the principal Act ;

and if any person is concerned in carrying on any such business in contravention of this provision he shall be guilty of a misdemeanour punishable in like manner and subject to the like provisions as in the case of a misdemeanour under section one of the Trading with the Enemy Act, 1914, and that section shall apply accordingly.

(2) Where it appears to the Board of Trade that any banking business is carried on in contravention of this section the Board of Trade shall order the business to be wound up, and for that purpose the provisions of section one of the principal Act and the provisions of this Act which relate to orders made under that section shall with the necessary adaptations apply.

(3) The power of the Board of Trade to appoint inspectors under the Trading with the Enemy Acts, 1914 to 1916, shall include the power to appoint inspectors for the purpose of ascertaining, during the period aforesaid, whether any banking business is carried on by a company which is an enemy-controlled corporation or for the benefit of, or under the control of, subjects of an enemy state, and the provisions of those Acts relating to inspection shall apply accordingly.

(4) The Board of Trade may, after consultation with the Treasury, make rules defining what business is, for the purpose of this section, to be deemed banking business :

Provided that any rules so made shall be laid before each House of Parliament as soon as may be after they are made, and if an address is presented to His Majesty by either House of Parliament within the next twenty days on which that House has sat, after any such rule is laid before them, praying that the rule may be annulled, His Majesty in Council may annul the rule and it shall thenceforth be void, without prejudice, however, to the making of any new rule.

3.—(1) Where a partnership has been dissolved by reason of one or more of the partners having been resident or having carried on business in an enemy country, and the partnership business had before the dissolution of the partnership been carried on wholly or mainly for the benefit of, or under the control of, persons who have become enemy subjects, it shall be lawful for the Board of Trade to make an order for the winding-up of the business carried on by any successors of the firm, in any case where it

Extension of power of making orders under s. 1 of principal Act.

appears to them that the former association of those successors with persons who subsequently became enemies or enemy subjects makes it expedient to do so :

Provided that where such an order has been made and any sum has been paid to the custodian as representing the share of any such partner, the court may, on the application of the Board of Trade, order the custodian to pay to the controller appointed under the order the whole or any part of that sum to be dealt with by him as part of the assets of the firm.

(2) Where it appears to the Board of Trade that any club or other undertaking, not being a business, carried on in the United Kingdom by any person or body of persons incorporated or unincorporated, is or was at any time since the outbreak of war, by reason of the enemy nationality or association of the members of that body, or any of them, or otherwise, carried on wholly or mainly for the benefit of, or under the control of, enemy subjects, the Board of Trade may and shall be deemed always to have had power to make an order requiring the undertaking to be wound up.

(3) Where any person, firm, or company has ceased to carry on business, and it appears to the Board of Trade that the business whilst carried on was by reason of the enemy nationality or enemy association of that person, firm or company, or of the members of that firm or company, or otherwise, carried on wholly or mainly for the benefit of, or under the control of, enemy subjects, or persons who subsequently became enemy subjects, the Board of Trade may and shall be deemed always to have had power to make an order for the realization and distribution of the assets of the business.

(4) The provisions of section one of the principal Act and of section one of this Act and the other provisions of this Act which relate to orders made under section one of the principal Act shall, with the necessary adaptations, apply as respects orders made under this section in like manner as they apply as respects orders made under subsection (1) of section one of the principal Act.

4.—(1) On or at any time after the release of a controller appointed under the principal Act or a liquidator appointed by the Board of Trade to conduct a winding-up under section one of this Act notice thereof may be given by the Board of Trade to the Registrar of Companies, and on the receipt of such notice the registrar shall forthwith register it, and may if so directed by the Board of Trade strike the name of the company off the register and the company shall be dissolved.

(2) Where a company has been dissolved by virtue of this section, or where a company with respect to which an order has been made under section one of the principal Act has been removed from the register under section two hundred and forty-two of the Companies (Consolidation) Act, 1908, no application for an order declaring the dissolution void or restoring the company to the register shall be made without the consent of the Board of Trade,



and the Registrar of Companies may refuse to register any company with a name the same as or similar to that of the company so dissolved.

(3) In England, on the release of a liquidator appointed as aforesaid, the official receiver attached to the High Court discharging the duties of official receiver under the Companies (Consolidation) Act, 1908, shall *ex officio* become liquidator, and the right to recover any debts due to the company at the date of the release, and the right to recover any property of the company which may then remain outstanding, shall vest in the said official receiver, and he may take proceedings in his official name for the recovery of such debts and property, notwithstanding the dissolution of the company; and any sums or property recovered by him after the dissolution shall be dealt with in such manner as the Board of Trade may direct.

5. Where the Court in pursuance of subsection (7) of section one of the principal Act makes, or has before the passing of this Act made, an order for the winding-up of a company with respect to which an order has, whether before or after the passing of this Act, been made by the Board of Trade under subsection (1) of that section—

Provision as to winding-up by order of the Court.

- (a) the Court may by the winding-up order or any subsequent order dispense with compliance with the provisions of section one hundred and forty-seven of the Companies (Consolidation) Act, 1908 (which relates to the statement of the company's affairs), and of section one hundred and fifty-two of that Act (which relates to meetings of creditors and contributories) or of either of those sections;
- (b) notwithstanding anything in the Companies (Consolidation) Act, 1908, in a winding-up in England the official receiver shall, unless and until some other person is appointed by the court, be the liquidator of the company, but the Court may upon the application of the Board of Trade, from time to time appoint any other person to be liquidator, notwithstanding that a meeting of creditors and contributories has not been held, and may, upon the like application, remove any person so appointed;
- (c) the provisions of subsection (3) of section one of the principal Act, giving priority to unsecured creditors who are not enemies, and as to the payment and transfer of enemy property to the custodian and the manner in which such property is to be dealt with by him, and the provisions of subsection (4) of the same section, which relates to the allocation of property in enemy territory to the satisfaction of liabilities to and claims of persons in enemy territory, shall with the necessary adaptations apply to the winding-up of the company;



- (d) the assets of the company may be distributed without making any provision for claims by enemies except those which are disclosed in the books of the company or of which the liquidator has otherwise received notice, and as respects claims by enemies of which notice has been so received the liquidator may pay to the custodian the dividends on any such claim without requiring a proof to be lodged in respect thereof.

Validation of distribution of assets amongst members of companies.

6. Where before the passing of this Act any balance of the sums or other property resulting from the realization of any assets of a business ordered to be wound up by an order under the principal Act, being a business carried on by a company, have in pursuance of directions of the Board of Trade been distributed amongst members of the company as being persons interested in such balance, such distribution shall be deemed to have been lawful and within the powers conferred by the principal Act.

Claims against businesses or companies being wound up.

7.—(1) Where, whether before or after the passing of this Act, an order has been made under section one of the principal Act requiring a business to be wound up, or an order under section one of this Act has been made for the winding-up of a company, any claim against or in respect of the assets of the business, or, as the case may be, any claim against the company, may be dealt with by the High Court or a judge thereof upon a summary application made either by the controller or liquidator, as the case may be, or with the consent of the Board of Trade by the claimant: Provided that notice of the application if made by the controller or liquidator shall be served on the claimant, and if made by the claimant shall be served on the controller or liquidator, as the case may be.

(2) Where any such order has been made any action or other legal proceedings against the person, firm, or company whose business is being wound up, or, as the case may be, against the company which is being wound up, may, on the application of the controller or liquidator, be stayed by the court in which the proceedings are pending.

8. The Board of Trade, in any case where it appears to them expedient, may by order vest in the custodian any patent or design belonging to a company with respect to which an order has been made under section one of the principal Act or section three of this Act, or any property belonging to a company which is an enemy-controlled corporation within the meaning of this Act; and sections four and nine of the principal Act shall apply in the case of property vested in the custodian under this section in like manner as it applies to property vested in him under the said section four.

9.—(1) For removing doubts it is hereby declared that the power of the court under section four of the Trading with the Enemy Amendment Act, 1914, and of the Board of Trade under section four of the principal Act of making orders vesting property

Extension of power to vest property in custodian.

Provisions as to custodians of different parts of the United Kingdom.

in the custodian extends, and shall be deemed always to have extended, so as to enable such orders to be made vesting any property in the custodian of any part of the United Kingdom, notwithstanding that the property is situate in another part of the United Kingdom.

(2) Where any property has, either before or after the passing of this Act, by order of the court or the Board of Trade been vested in the custodian for any part of the United Kingdom, it shall be lawful for the court or Board of Trade, as the case may be—

- (a) to order the transfer of the property to the custodian of another part of the United Kingdom ;
- (b) to order the payment to the custodian of another part of the United Kingdom of the dividends or other income which has arisen, or may thereafter arise, from any such property.

10. Where the Board of Trade is desirous of obtaining information as to the character of a business which is being carried on in this country and ascertaining whether such business is one to which the principal Act or this Act applies, the High Court or a judge thereof may, upon a summary application by the Board, make an order directing any person to appear as a witness before the Board or any advisory committee appointed by the Board and to give evidence on oath before the Board or such advisory committee and to produce any documents which the High Court or the judge may think proper.

Proceedings as to obtaining information.

11. Where a business carried on in the United Kingdom which, in the opinion of the Board of Trade, could at any time have been wound up under the provisions of the principal Act or of this Act if it had not been transferred is being carried on by any person, firm, or company other than that by whom it was carried on at the commencement of the war, the Board may, if they think fit, require evidence that the transfer, if any, of the business was made *bonâ fide* and for valuable consideration, and that the person, firm, or company by whom the business is carried on is not carrying on the business on behalf of or for the benefit of enemy subjects, or in any way under enemy control, and if they are not satisfied by such evidence the Board may make an order requiring the business to be wound up as though it were a business to which section one of the principal Act applies.

Powers in relation to transferred businesses.

12.—(1) Where, whether before or after the passing of this Act, an order has been made either by the court or by the Board of Trade under the Trading with the Enemy Acts, 1914 to 1916, vesting any property in the custodian, and any person claims a lien or charge thereon, the High Court or a Judge thereof may, upon a summary application being made for the purpose, and either with or without the consent of the claimant, direct such account and inquiries as may be necessary for the purpose of determining the extent or amount of such lien or charge, and may order a sale of the property free from such lien or charge, and the

Enforcement of liens.

payment of any moneys arising from such sale or otherwise in respect of the property in or towards discharge of the amount of lien or charge.

(2) Any such application shall be served on such parties as the Court or Judge may direct, and may in any case be made either by the claimant or by the custodian or any Government Department, and also if the property, subject to the lien or charge, is property belonging to an enemy by any person who may appear to the Court to be interested, including a person having under competent authority the control or supervision of any business of whose assets the lien or charge forms part.

(3) Where any property to which section four of the Trading with the Enemy Amendment Act, 1914, applies is subject to a lien or charge, an application under that section for an order vesting the property in the custodian may be made by any person by whom an application under the foregoing provisions of this section may be made.

Definitions.

### 13. In this Act—

The expression “ enemy-controlled corporation ” means any corporation—

(a) where the majority of the directors or the persons occupying the position of directors, by whatever name called, are subjects of an enemy state ; or

(b) where it appears to the Board of Trade that the majority of the voting power or shares is in the hands of persons who are subjects of an enemy state, or who exercise their voting powers or hold the shares directly or indirectly on behalf of persons who are subjects of an enemy state ; or

(c) where the control is by any means whatever in the hands of persons who are subjects of an enemy state ; or

(d) where the executive is an enemy-controlled corporation or where the majority of the executive are appointed by an enemy-controlled corporation :

The expression “ enemy state ” means a state with which His Majesty is now at war.

14. This Act may be cited as the Trading with the Enemy (Amendment) Act, 1918, and shall be construed as one with the Trading with the Enemy Acts, 1914 to 1916, and those Acts and this Act may be cited together as the Trading with the Enemy Acts, 1914 to 1918.

Short title  
and con-  
struction.

### *Schedule*

MODIFICATIONS OF THE COMPANIES (CONSOLIDATION) ACT, 1908,  
AS APPLIED TO THE WINDING-UP OF COMPANIES UNDER  
ORDERS BY THE BOARD OF TRADE :—

(a) The Board of Trade may remove a liquidator and fill any vacancy in the office of liquidator caused by death, resignation, or otherwise ;



- (b) The remuneration of the liquidator shall be fixed by the Board of Trade ;
- (c) Sections one hundred and eighty-eight, one hundred and eighty-nine, one hundred and ninety, one hundred and ninety-one, one hundred and ninety-two, subsection (2) of one hundred and ninety-four and sections one hundred and ninety-five, one hundred and ninety-seven, one hundred and ninety-nine, and two hundred and twenty-four shall not apply ;
- (d) In paragraph (b) of subsection (1) of section two hundred and twenty-two (relating to the disposal of books and papers) for the words “ in such way as the company by extraordinary resolution directs ” there shall be substituted “ in such way as the Board of Trade may direct ” ;
- (e) The Board of Trade may confer on the liquidator the like power as to conveying or transferring property as they are by subsection (2) of section one of the principal Act authorized to confer on a controller appointed under that Act ;
- (f) The provisions of subsection (3) of section one of the principal Act giving priority to unsecured creditors who are not enemies, and as to the payment and transfer of enemy property to the custodian and the manner in which such property is to be dealt with by him, and the provisions of subsection (4) of the same section which relate to the allocation of property in enemy territory to the satisfaction of liabilities to and claims of persons in enemy territory, and the provisions of paragraph (d) of section five of this Act shall, with the necessary adaptations, apply to the winding-up of the company ;
- (g) The provisions of subsection (5) of section one of the principal Act as to the release of a controller appointed under that Act shall apply to the release of the liquidator ;
- (h) An application for the stay of proceedings in the winding-up shall not be made without the consent of the Board of Trade ;
- (i) The liquidator shall submit accounts to the Board of Trade at such times and in such manner as they may direct ;
- (j) The provisions of subsection (7) of section one of the principal Act, including the power of the Board of Trade to present a petition for the winding-up of the company by the court, shall continue to apply in respect of the company, notwithstanding the making of an order under section one of this Act.



## ALIENS RESTRICTION (AMENDMENT) ACT, 1919

[9 &amp; 10 GEO. 5, CH. 92]

*An Act to continue and extend the provisions of the Aliens Restriction Act, 1914*

[23rd December, 1919.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

*Continuance and Extension of Emergency Powers*

Continuance  
of emer-  
gency  
powers.

1.—(1) The powers which under subsection (1) of section one of the Aliens Restriction Act, 1914 (which Act, as amended by this Act, is hereinafter in this Act referred to as the principal Act), are exercisable with respect to aliens at any time when a state of war exists between His Majesty and any foreign power, or when it appears that an occasion of imminent national danger or great emergency has arisen, shall, for a period of one year after the passing of this Act, be exercisable, not only in those circumstances, but at any time; and accordingly that subsection shall, for such period as aforesaid, have effect as though the words “at any time when a state of war exists between His Majesty and any foreign power, or when it appears that an occasion of imminent national danger or great emergency has arisen” were omitted.

(2) Any order made under the principal Act during the currency of this section shall be laid before each House of Parliament forthwith, and, if an Address is presented to His Majesty by either House of Parliament within the next subsequent twenty-one days on which that House has sat after any such order is laid before it praying that the order may be annulled, His Majesty in Council may annul the order, and it shall thenceforth be void, but without prejudice to the validity of anything previously done thereunder:

Provided that this provision shall not apply in the case of an order the operation of which is limited to a time when a state of war exists between His Majesty and any foreign power, or when it appears that an occasion of imminent national danger or great emergency has arisen.

Extension of  
powers.

2.—(1) Subsection (1) of section one of the principal Act shall be amended by the addition at the end thereof of the following paragraph:—

(b) for determining what nationality is to be ascribed to aliens in doubtful circumstances, and for disregarding, in the case of any person against whom a deportation or expulsion order has been made, any subsequent change of nationality.

(2) For the purpose of enforcing the provisions of any Treaty of Peace concluded or to be concluded between His Majesty and any Power with which His Majesty was at war in the year nineteen hundred and eighteen, His Majesty may by Order in Council under the principal Act make regulations requiring information to be given as to the property, liabilities, and interests of former enemy aliens, and for preventing (without notice or authority) the transfer of or other dealings with the property of such aliens.

*Further Restrictions of Aliens*

3.—(1) If any alien attempts or does any act calculated or likely to cause sedition or disaffection amongst any of His Majesty's Forces or the forces of His Majesty's allies, or amongst the civilian population, he shall be liable on conviction on indictment to penal servitude for a term not exceeding ten years, or on summary conviction to imprisonment for a term not exceeding three months.

Incitement  
to sedition,  
&c.

(2) If any alien promotes or attempts to promote industrial unrest in any industry in which he has not been *bonâ fide* engaged for at least two years immediately preceding in the United Kingdom, he shall be liable on summary conviction to imprisonment for a term not exceeding three months.

4. No alien shall hold a pilotage certificate for any pilotage district in the United Kingdom; except that the provisions of section twenty-four of the Pilotage Act, 1913, shall continue to apply to the renewal and issue of certificates entitling a master or mate of French nationality to navigate his ship into the ports of Newhaven or Grimsby.

Pilotage  
certificates.

5.—(1) No alien shall act as master, chief officer, or chief engineer of a British merchant ship registered in the United Kingdom, or as skipper or second hand of a fishing boat registered in the United Kingdom, except in the case of a ship or boat employed habitually in voyages between ports outside the United Kingdom :

Employment  
of aliens in  
ships of the  
mercantile  
marine.

Provided that this prohibition shall not apply to any alien who has acted as a master, chief officer, or chief engineer of a British ship, or as skipper or second hand of a British fishing boat, at any time during the war, and is certified by the Admiralty to have performed good and faithful service in that capacity.

(2) No alien shall be employed in any capacity on board a British ship registered in the United Kingdom at a rate of pay less than the standard rate of pay for the time being current on British ships for his rating :

Provided that, where the Board of Trade are satisfied that aliens of any particular race (other than former enemy aliens) are habitually employed afloat in any capacity, or in any climate, for which they are specially fitted, nothing in this section shall prejudice the right of aliens of such race to be employed upon British ships at rates of pay which are not below those for the time being fixed as standard rates for British subjects of that race.

(3) No alien shall be employed in any capacity on board a British ship registered in the United Kingdom unless he has produced to the officer before whom he is engaged satisfactory proof of his nationality.

(4) Any person who engages an alien for employment on a British ship in contravention of the provisions of this section shall be guilty of an offence under this Act.

6. After the passing of this Act no alien shall be appointed to any office or place in the Civil Service of the State.

7.—(1) An alien shall not for any purpose assume or use or purport to assume or use or continue after the commencement of this Act the assumption or use of any name other than that by which he was ordinarily known on the fourth day of August nineteen hundred and fourteen.

(2) Where any alien carries on or purports or continues to carry on, or is a member of a partnership or firm which carries on, or which purports or continues to carry on any trade or business in any name other than that under which the trade or business was carried on on the fourth of August nineteen hundred and fourteen, he shall, for the purpose of this section, be deemed to be using or purporting or continuing to use a name other than that by which he was ordinarily known on the said date.

(3) A Secretary of State may, if it appears desirable on special grounds in any particular case, grant an exemption from the provisions of this section, but shall not do so unless he is satisfied that the name proposed to be assumed, used, or continued is in the circumstances of the case a suitable name.

(4) Nothing in this section shall—

- (a) affect the assumption of use or continued assumption or use of any name in pursuance of a royal licence ; or
- (b) affect the continuance of the use by any person of a name which he has assumed before the commencement of this Act if he has been granted an exemption under the Defence of the Realm regulations or the Aliens Restriction Order in force on the first day of January nineteen hundred and nineteen ; or
- (c) prevent the assumption or use by a married woman of her husband's name.

(5) A fee of ten guineas shall be paid by any alien on obtaining an exemption under this section ; but the Secretary of State may remit the whole or any part of such fee in special cases.

(6) A list of the persons to whom the Secretary of State has granted an exemption under this section shall be published in the *Gazette* as soon as may be after the granting of the exemption.

(7) Any person to whom any such exemption is granted shall, unless the Secretary of State shall expressly dispense with such publication, within one calendar month thereafter publish at his own expense, in some paper circulating in the district in which

Appoint-  
ment of  
aliens to  
the Civil  
Service.  
Restriction  
of change  
of name by  
aliens.



he resides, an advertisement stating the fact that the exemption has been granted.

8. No alien shall sit upon a jury in any judicial or other proceedings if challenged by any party to such proceedings.

Provisions  
as to aliens  
on juries.

*Special Provisions as to former Enemy Aliens*

9.—(1) Every former enemy alien who is now in the United Kingdom and to whom this section applies shall be deported forthwith unless the Secretary of State on the recommendation of the advisory committee, to be constituted under this section, shall grant him a licence to remain.

Deportation  
of former  
enemy  
aliens.

(2) The Secretary of State may, if he is satisfied on the recommendation of the said advisory committee that there is no reason to the contrary, grant such licence, subject to such terms and conditions (if any) as he shall think fit.

(3) This section shall apply to any former enemy alien now in the United Kingdom (not being a former enemy alien exempted from internment or repatriation on the recommendation of any advisory committee appointed after the first day of January nineteen hundred and eighteen and before the passing of this Act) as to whom there shall be delivered to the Secretary of State, within two months after the passing of this Act, a statement in writing signed by any credible person to the effect that the continued residence in the United Kingdom of that alien is, for reasons relating to the alien, undesirable in the public interest, and giving particulars of the allegations upon which such reasons are based.

(4) The Secretary of State shall refer all such statements to the advisory committee to be constituted under this section, and the committee shall thereupon require each alien affected to make to the committee within one month, in a form prescribed by the committee, an application to be allowed to remain in the United Kingdom, stating the general grounds on which the application is based, and the answer of the alien to the allegations made in relation to him, and the committee shall examine into such allegations and in the result may—

- (a) recommend that the alien be immediately deported ; or
- (b) if satisfied that the allegations are groundless or insufficient, and that the alien affected holds an exemption recommended by any advisory committee appointed in the year nineteen hundred and fifteen, recommend that such exemption be not disturbed ; or
- (c) in any case in which it seems to them right and proper so to do, recommend that the alien be granted a licence to remain, subject to such terms and conditions (if any) as may appear to them to be fitting in the circumstances.

(5) In granting a licence under this section, the Secretary of State may include in the licence the wife of the applicant and



any child or children of his, and such inclusion shall, notwithstanding anything in this section, have the same effect as the grant of a licence.

(6) A list of the persons to whom such licence is granted shall, as soon as may be, after the granting of the licence, be published in the *Gazette*.

(7) Any licence so granted may be at any time revoked by the Secretary of State.

(8) If such licence is not granted, or if, having been granted, it is revoked, the Secretary of State shall make an order (in this Act referred to as a deportation order) requiring the alien to leave the United Kingdom and thereafter to remain out of the United Kingdom so long as the order remains in force. The Secretary of State may, by a deportation order, require the alien to return to the country of which he is a subject or citizen.

(9) The provisions of this section shall be in addition to and not in derogation of any other provisions of the principal Act or this Act or any Order in Council made thereunder.

(10) The Secretary of State shall appoint an advisory committee for the purpose of this section, consisting of a chairman and such other persons, including members of both Houses of Parliament, as the Secretary of State may think fit.

(11) This section shall not apply to any subject of the Ottoman Empire who holds a certificate issued by a police authority, or by or under the direction of the Secretary of State, granting exemption from any provisions of Part II of the Aliens Restriction Order in force on the first day of January nineteen hundred and nineteen, applicable to alien enemies.

10.—(1) No former enemy alien shall, for a period of three years after the passing of this Act, be permitted to land in the United Kingdom either from the sea or from the air, or, if he should land without permission, to remain in the United Kingdom, without the permission of the Secretary of State, to be granted only on special grounds, and such permission shall, save as herein-after provided, be limited in duration to a period of three months, and may, upon special grounds, be renewed from time to time for a like period.

(2) A list of the persons to whom permissions are so granted during each month shall be published in the *London Gazette* as soon as practicable after the end of each such month.

(3) The requirement of this section that permission to remain in the United Kingdom shall be limited to a period of three months shall not apply to a former enemy alien who was resident in the United Kingdom at the date of the passing of this Act, and after a temporary absence abroad returns to the United Kingdom.

(4) Where any former enemy alien, formerly resident in the United Kingdom, and having a British-born wife or a British-born child under the age of sixteen still resident in the United Kingdom, applies, within three months from the passing of this

Act, to the Secretary of State for permission to land in the United Kingdom, the Secretary of State shall refer the application to the advisory committee constituted under the last foregoing section of this Act, and, if that committee recommends that he be permitted to land, he shall be so permitted, and the requirement of this section that permission to remain in the United Kingdom shall be limited to a period of three months shall not apply.

11.—(1) During a period of three years from the passing of this Act it shall not be lawful for a former enemy alien, either in his own name or in the name of a trustee or trustees, to acquire property of any of the following descriptions; that is to say:—

Temporary restriction on acquisition by former enemy aliens of certain kinds of property.

- (a) Any land, or any interest in any land, in the United Kingdom; or
- (b) Any interest in a key industry, or any share or interest in a share in a company registered in the United Kingdom which carries on any such industry; or
- (c) Any share or interest in a share in a company owning a British ship registered in the United Kingdom.

(2) If any such property as aforesaid is acquired in contravention of this section, the Board of Trade may, on an application made to them for the purpose, by order vest the property in the Public Trustee.

Any such order may contain provisions applying for the purposes of the order, with such modifications as the Board think necessary, any of the provisions of section four of the Trading with the Enemy Amendment Act, 1916, or any enactment referred to in that section.

(3) For the purpose of this section—

The expression “key industry” means any industry included in a list declared by the Board of Trade to be a list of key industries for the purposes of this section;

The expression “share” includes any stock forming part of the capital of a company and securities of any description issued by a company;

The expression “interest in land” does not include a tenancy for a period not exceeding three years at a rackrent.

(4) Any list of key industries prepared by the Board of Trade under this section shall be published as soon as it is made in the *London Gazette*, and may be varied or amended by the Board from time to time.

12. No former enemy alien shall be employed or shall act as master, officer, or member of the crew of a British ship registered in the United Kingdom.

Employment of former enemy aliens in British ships.

### General

13.—(1) If any person acts in contravention of or fails to comply with the provisions of this Act or any order or rules made or conditions imposed thereunder, he shall be guilty of an offence against this Act,

Offences and penalties.

(2) If any person aids or abets any person in any contravention of this Act or knowingly harbours any person whom he knows or has reasonable ground for believing to have acted in contravention of this Act, he shall be guilty of an offence against this Act.

(3) Where a person lands in the United Kingdom in contravention of this Act, the master of the ship or the pilot or commander of the aircraft from which he lands shall, unless he proves to the contrary, be deemed to have aided and abetted the offence.

(4) A person who is guilty of an offence against this Act shall be liable on summary conviction to a fine not exceeding one hundred pounds or to imprisonment, with or without hard labour, for a term not exceeding six months, or, on a second or subsequent conviction, twelve months, or, in either case, to both such fine and imprisonment.

Saving for  
diplomatic  
persons, &c.

14.—(1) Nothing in this Act contained shall be construed as imposing any restriction or disability on any duly accredited head of a foreign diplomatic mission or any member of his official staff or household.

(2) The Secretary of State may exempt from any of the special provisions of this Act as to former enemy aliens any consul or vice-consul to whom His Majesty is pleased to grant an exequatur and the wife and child of any such consul or vice-consul.

Definitions

15. The expression "former enemy alien" means an alien who is a subject or citizen of the German Empire or any component state thereof, or of Austria, Hungary, Bulgaria, or Turkey, or who, having at any time been such subject or citizen, has not changed his allegiance as a result of the recognition of new states or territorial rearrangements, or been naturalized in any other foreign state or in any British Possession in accordance with the laws thereof and when actually resident therein, and does not retain according to the law of his state of origin the nationality of that state:

Provided that the special provisions of this Act as to former enemy aliens, except the provisions of subsection (2) of section two of this Act, shall not apply to any woman who was at the time of her marriage a British subject.

Short title  
and repeal.

16.—(1) This Act may be cited as the Aliens Restriction (Amendment) Act, 1919, and the principal Act and this Act may be cited together as the Aliens Restriction Acts, 1914 and 1919.

(2) The Aliens Act, 1905, is hereby repealed as from such date or dates as may be specified by Order in Council made under the principal Act, and any such order may fix different dates for the repeal of different provisions of the said Act, but an order under the principal Act may incorporate (with or without modifications) any of the provisions of the said Act:

Provided that any order or appointment made or action taken under the said Act shall, notwithstanding any such repeal as aforesaid, continue in force as though it had been made or taken under an Order in Council under the principal Act, subject, however, to any provisions of any such order.

## CHAPTER III

### ACTS RELATING TO PATENTS, DESIGNS, TRADE MARKS, AND COPYRIGHTS

#### PATENTS, DESIGNS, AND TRADE MARKS (TEMPORARY RULES) ACT, 1914

[4 & 5 GEO. 5, CH. 27]

*An Act to extend the powers of the Board of Trade during the continuance of the present hostilities to make Rules under the Patents and Designs Act, 1907, and the Trade Marks Act, 1905*

[7th August, 1914.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

1.—(1) The power of the Board of Trade under section eighty-six of the Patents and Designs Act, 1907, and section sixty of the Trade Marks Act, 1905, to make rules and to do such things as they think expedient for the purposes therein mentioned shall include power to make rules and to do such things as they think expedient for avoiding or suspending in whole or in part any patent or licence granted to, and the registration of any trade mark the proprietor whereof is, a subject of any State at war with His Majesty, and any proceedings on any application made by any such person under either of the said Acts and for extending the time within which any act or thing may or is required to be done under those Acts.

Extension  
of power to  
make rules.

(2) In relation to rules made under this Act the provisions of subsection (3) of section sixty of the Trade Marks Act, 1905, shall not apply.

(3) If the rules made under this Act so provide the rules or any of them shall have effect as from the passing of this Act.

2. This Act may be cited as the Patents, Designs, and Trade Marks (Temporary Rules) Act, 1914.

Short title.

3. This Act and the rules made thereunder shall continue in force during the continuance of the present state of war in Europe, and for a period of six months thereafter and no longer.

Duration.



PATENTS, DESIGNS, AND TRADE MARKS TEMPORARY  
RULES (AMENDMENT) ACT, 1914

[4 &amp; 5 GEO. 5, CH. 73]

*An Act to amend the Patents, Designs, and Trade Marks (Temporary) Rules Act, 1914*

[28th August, 1914.]

Be it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

Extension  
of powers to  
make tem-  
porary rules.

1. The Patents, Designs, and Trade Marks (Temporary Rules) Act, 1914, shall have effect, and shall be deemed always to have had effect, subject to the following amendments, that is to say :—

(a) In section one, for the words “any patent or licence granted to, and the registration of any trade mark the proprietor whereof is, a subject of any State at war with His Majesty, and any proceedings on any application made by any such person under either of the said Acts,” there shall be substituted the following words : “any patent or licence the person entitled to the benefit of which is the subject of any State at war with His Majesty ; for avoiding or suspending the registration, and all or any rights conferred by the registration, of any design or trade mark the proprietor whereof is a subject as aforesaid ; for avoiding or suspending any application made by any such person under either of the said Acts ; for enabling the Board to grant, in favour of persons other than such persons as aforesaid, on such terms and conditions, and either for the whole term of the patent or registration or for such less period as the Board may think fit, licences to make, use, exercise, or vend, patented inventions and registered designs so liable to avoidance or suspension as aforesaid” :

(b) At the end of the same section the following subsection shall be added :—

“(4) This Act shall apply to any person resident and carrying on business in the territory of a State at war with His Majesty as if he was a subject of that State ; and the expression ‘subject of any State at war with His Majesty’ shall, with reference to a company, include any company the business whereof is managed or controlled by such subjects, or is carried on wholly or mainly for the benefit or on behalf of such subjects, notwithstanding that the company may be registered within His Majesty's dominions ; and, where a patent has been granted to any person in

respect of an invention declared in the application or any specification to have been communicated to him by some other person, that other person shall, for the purposes of this Act, be deemed to be the person entitled to the benefit of the patent unless the contrary is proved."

2. This Act may be cited as the Patents, Designs, and Trade Marks Temporary Rules (Amendment) Act, 1914; and the Patents, Designs, and Trade Marks (Temporary Rules) Act, 1914, and this Act may be cited as the Patents, Designs, and Trade Marks (Temporary Rules) Acts, 1914.

Short title.

NOTE.—The Rules under these Acts will be found in Appendix IX.

## TRADING WITH THE ENEMY (COPYRIGHT) ACT, 1916

[6 & 7 GEO. 5, CH. 32]

*An Act to make provision with respect to Copyright in works first published or made in an enemy country during the present war*  
[10th August, 1916.]

WHEREAS doubts have arisen with respect to the existence of copyright in works first published or made in an enemy country during the present war, the copyright wherein would, had a state of war not existed, have vested in any person as the first owner thereof by virtue of the application to an enemy country of any Order in Council made under the Copyright Act, 1911, and it is expedient to make such provision as is hereinafter contained with respect to copyright in such works :

Be it therefore enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

1. Copyright in all such works, whether first published or made after or before the passing of this Act, shall be deemed to vest or to have vested in the Public Trustee in his capacity as Custodian under the Trading with the Enemy Amendment Act, 1914; and the Public Trustee shall, subject to regulations made by the Board of Trade, have all such powers, rights, and remedies in relation to the work as such person as aforesaid would, had a state of war not existed, have had; and all copyrights so vested in the Public Trustee, and any money arising from the exercise of his rights as the owner of any such copyright, shall be dealt with by him in like manner as property vested in him under the Trading with the Enemy Amendment Act, 1914, and section five of that Act as amended by any subsequent enactment shall apply accordingly :

Vesting in Public Trustee copyright in works published or made in enemy territory.

Provided that where, before the passing of this Act, any person has taken any action whereby he has incurred expenditure or

liability in connexion with the reproduction or performance of any such work as aforesaid, the Public Trustee shall, on application for the purpose being made within six months after the passing of this Act, grant to him a licence to reproduce or perform the work on such terms and conditions as, in the opinion of the Public Trustee, are fair and reasonable.

Short title  
and con-  
struction.

2. This Act may be cited as the Trading with the Enemy (Copyright) Act, 1916, and shall be construed as one with the Trading with the Enemy Amendment Act, 1914.

## CHAPTER IV

### TRADING WITH THE ENEMY PROCLAMATIONS

PROCLAMATION, DATED AUGUST 5, 1914, NOTIFYING THAT BRITISH SUBJECTS CONTRIBUTING TO A LOAN RAISED ON BEHALF OF THE GERMAN EMPEROR OR CONTRACTING WITH THE GERMAN GOVERNMENT WILL BE GUILTY OF HIGH TREASON AS ADHERING TO THE KING'S ENEMIES

BY THE KING

*A Proclamation notifying that British Subjects contributing to a Loan raised on behalf of the German Emperor or contracting with the German Government will be guilty of High Treason as adhering to the King's Enemies*

*George R.I.*

Whereas a state of war exists between Us and the German Emperor :

And whereas it constitutes adherence to Our enemies for any of Our subjects or persons resident or being in Our Dominions during the continuance of the state of war to contribute to or participate in or assist in the floating of any loan raised on behalf of the said Emperor, or to advance money to or enter into any contract or dealings whatsoever with the said Emperor or his Government (save upon Our Command), or otherwise to aid, abet, or assist the said Emperor or Government :

Now, therefore, We do hereby warn all Our subjects and all persons resident or being in Our Dominions who may be found doing or attempting any of such treasonable acts as aforesaid that they will be liable to be apprehended and dealt with as traitors, and will be proceeded against with the utmost rigour of the law.

Given at Our Court at Buckingham Palace, this Fifth day of August, in the year of our Lord one thousand nine hundred and fourteen, and in the Fifth year of Our Reign.

God save the King



PROCLAMATION, DATED AUGUST 5, 1914, RELATING  
TO TRADING WITH THE GERMAN EMPIRE

BY THE KING

*A Proclamation relating to Trading with the Enemy*

*George R.I.*

Whereas a state of war exists between Us and the German Emperor :

And whereas it is contrary to law for any person resident, carrying on business, or being in Our Dominions, to trade or have any commercial intercourse with any person resident, carrying on business, or being in the German Empire without Our permission :

And whereas it is therefore expedient and necessary to warn all persons resident, carrying on business, or being in Our Dominions, of their duties and obligations towards Us, Our Crown, and Government :

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation, and We do hereby warn all persons resident, carrying on business, or being in Our Dominions :

Not to supply to or obtain from the said Empire any goods, wares, or merchandise, or to supply to or obtain the same from any person resident, carrying on business, or being therein, nor to supply to or obtain from any person any goods, wares, or merchandise for or by way of transmission to or from the said Empire, or to or from any person resident, carrying on business, or being therein, nor to trade in or carry any goods, wares, or merchandise destined for or coming from the said Empire, or for or from any person resident, carrying on business, or being therein :

Nor to permit any British ship to leave for, enter, or communicate with any port or place of the said Empire :

Nor to make or enter into any new marine, life, fire, or other policy or contract of insurance with or for the benefit of any person resident, carrying on business, or being in the said Empire, nor under any existing policy or contract of insurance to make any payment to or for the benefit of any such person in respect of any loss due to the belligerent action of His Majesty's forces or of those of any ally of His Majesty :

Nor to enter into any new commercial, financial, or other contract or obligation with or for the benefit of any person resident, carrying on business, or being in the said Empire :

And We do hereby further warn all persons that whoever in contravention of the law shall commit, aid, or abet any of the aforesaid acts will be liable to such penalties as the law provides :

And We hereby declare that any transactions to, with, or for the benefit of any person resident, carrying on business, or being in the said Empire which are not treasonable and are not for the time being expressly prohibited by Us either by virtue of this

Proclamation or otherwise, and which but for the existence of the state of war aforesaid would be lawful, are hereby permitted :

And We hereby declare that the expression " person " in this Proclamation shall include any body of persons corporate or unincorporate, and that where any person has, or has an interest in, houses or branches of business in some other country as well as in Our Dominions, or in the said Empire (as the case may be), this Proclamation shall not apply to the trading or commercial intercourse carried on by such person solely from or by such houses or branches of business in such other country.

Given at Our Court at Buckingham Palace, this Fifth day of August, in the year of our Lord one thousand nine hundred and fourteen, and in the Fifth year of Our Reign.

NOTE.—This Proclamation was revoked by the Proclamation of 9th September, 1914 (see p. 177).

God save the King

PROCLAMATION, DATED AUGUST 12, 1914, EXTENDING  
TO AUSTRIA-HUNGARY THE SCOPE OF CERTAIN  
PROCLAMATIONS AND AN ORDER IN COUNCIL  
CONNECTED WITH THE WAR

BY THE KING

*A Proclamation extending the Scope of certain existing Proclamations  
and a certain Order in Council connected with the War*

*George R.I.*

Whereas on the fourth day of August one thousand nine hundred and fourteen a State of War came into existence between Us on the one hand and the German Empire on the other :

And whereas We did on the same date and on the fifth day of August one thousand nine hundred and fourteen issue certain Proclamations and Orders in Council connected with such State of War :

And whereas a State of War now exists between Us on the one hand and the Dual Monarchy of Austria-Hungary on the other :

And whereas it is therefore desirable to extend the scope of certain of the Proclamations and Orders in Council aforesaid :

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation declaring and it is hereby declared as follows :—

1. The Proclamation warning all Our Subjects and all persons resident or being in Our Dominions from contributing to, or participating in or assisting in the floating of, any loan raised on behalf of the German Government, or from advancing money to or entering into any contract or dealings whatsoever with the said Government, or otherwise aiding, abetting, or assisting the said Government, shall be deemed as from this date to apply to all

loans raised on behalf of, or contracts or dealings entered into with, or to aiding, abetting, or assisting the Austro-Hungarian Government.

2. The Proclamation on Trading with the Enemy shall be deemed as from this date to prohibit with the Dual Monarchy of Austria-Hungary all commercial intercourse, which under the said Proclamation is prohibited with the German Empire, and for this purpose such Proclamation shall be read as if throughout the operative portion thereof, the words "either the German Empire or the Dual Monarchy of Austria-Hungary" were substituted for the words "the German Empire."<sup>1</sup>

3.—(1) In the Order in Council issued with reference to the departure from Our Ports of enemy vessels, which at the outbreak of hostilities were in any such Port or which subsequently entered the same, the word "enemy," as applied to either ships or cargo, shall be deemed as from this date to include Austro-Hungarian ships or cargo.

(2) In the application of this Article to Austro-Hungarian ships the date Saturday, the Fifteenth day of August, shall be substituted for the date mentioned in Article 2 of the said Order in Council, and the date Saturday, the Twenty-second day of August, shall be substituted for the date mentioned in Article 3 of the said Order in Council.

4. The Proclamation specifying the articles which it is Our intention to treat as Contraband of War during the war with Germany shall be deemed to specify the articles which it is Our intention to treat as Contraband of War during the war with Austria-Hungary.

5. In the Proclamation forbidding the carriage in British vessels from any Foreign Port to any other Foreign Port of any article comprised in the list of Contraband of War issued by Us, unless the shipowner shall have first satisfied himself that the articles are not intended ultimately for use in the enemy country, the words "enemy country" shall be deemed as from this date to include the Dual Monarchy of Austria-Hungary.

Given at Our Court at Buckingham Palace, this Twelfth day of August, in the year of our Lord one thousand nine hundred and fourteen, and in the Fifth year of Our Reign.

God save the King

#### OFFICIAL ANNOUNCEMENT IN EXPLANATION OF THE PROCLAMATION OF AUGUST 5, 1914, AGAINST TRADING WITH THE ENEMY

The following official announcement was issued by the Treasury last night :—

Some doubts having arisen as to the meaning and application of

<sup>1</sup> This paragraph was revoked by the Proclamation of 9th September, 1914 (see p. 177).

the Proclamation against trading with the enemy, the Government authorize the following explanation to be published :—

- (1) For the purpose of deciding what transactions with foreign traders are permitted, the important thing is to consider where the foreign trader resides and carries on business, and not the nationality of the foreign trader.
- (2) Consequently, there is, as a rule, no objection to British firms trading with German or Austrian firms established in neutral or British territory. What is prohibited is trade with any firms established in hostile territory.
- (3) If a firm with headquarters in hostile territory has a branch in neutral or British territory, trade with the branch is (apart from prohibitions in special cases) permissible, as long as the trade is *bonâ fide* with the branch, and no transaction with the head office is involved.
- (4) Commercial contracts entered into before war broke out with firms established in hostile territory cannot be performed during the war, and payments under them ought not to be made to such firms during the war. Where, however, nothing remains to be done save to pay for goods already delivered, or for services already rendered, there is no objection to making the payment. Whether contracts entered into before war are suspended or terminated is a question of law which may depend on circumstances, and in cases of doubt British firms must consult their own legal advisers.

This explanation is issued in order to promote confidence and certainty in British commercial transactions ; but it must be understood that, in case of need, the Government will still be free to impose stricter regulations or special prohibitions in the national interest.

22nd August, 1914.

NOTE.—This announcement was revoked by the Proclamation of 9th September (see below).

## THE TRADING WITH THE ENEMY PROCLAMATION, No. 2. DATED SEPTEMBER 9, 1914

BY THE KING

*A Proclamation relating to Trading with the Enemy*

*George R.I.*

Whereas a state of War has existed between Us and the German Empire as from 11 p.m. on August 4th, 1914,<sup>1</sup> and a state of War has existed between Us and the Dual Monarchy of Austria-Hungary as from midnight on August 12th, 1914<sup>1</sup>:

<sup>1</sup> See p. 120.



And whereas it is contrary to law for any person resident, carrying on business or being in Our Dominions, to trade or have any commercial or financial transactions with any person resident or carrying on business in the German Empire or Austria-Hungary without Our permission :

And whereas by Our Proclamation of the 5th August, 1914, relating to trading with the Enemy, certain classes of transactions with the German Empire were prohibited :

And whereas by paragraph 2 of Our Proclamation of the 12th August, 1914, the said Proclamation of the 5th August, 1914, was declared to be applicable to Austria-Hungary :

And whereas it is desirable to restate and extend the prohibitions contained in the former Proclamations, and for that purpose to revoke the Proclamation of the 5th August, 1914, and paragraph 2 of the Proclamation of the 12th August, 1914, and to substitute this Proclamation therefor :

And whereas it is expedient and necessary to warn all persons resident, carrying on business or being in Our Dominions, of their duties and obligations towards us, Our Crown, and Government.

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation declaring and it is hereby declared as follows :—

1. The aforesaid Proclamation of the 5th August, 1914, relating to trading with the Enemy, and paragraph 2 of the aforesaid Proclamation of the 12th August, 1914, together with any public announcement officially issued in explanation thereof, are hereby, as from the date hereof, revoked, and from and after the date hereof, this present Proclamation is substituted therefor.

2. The expression “enemy country” in this Proclamation means the territories of the German Empire and of the Dual Monarchy of Austria-Hungary, together with all the colonies and dependencies thereof.

3. The expression “enemy” in this Proclamation means any person or body of persons of whatever nationality resident or carrying on business in the enemy country, but does not include persons of enemy nationality who are neither resident nor carrying on business in the enemy country. In the case of incorporated bodies, enemy character attaches only to those incorporated in an enemy country.

NOTE.—In the *Continental Rubber Tyre Co. v. Tilling* (1914, *Times Law Reports*, vol. xxxi, p. 77) it was held that the fact that practically all the shareholders in a company incorporated in this country were enemies did not render a contract with or payment to the company illegal, the continuance of trade with such companies being clearly contemplated both by this Proclamation and by Section 2, subsection (2) of the *Trading with the Enemy Act 1914* (see p. 125).

With regard to the scope of the term “enemy country” see *Aljustrel Mines v. Anglo-Belgian Agency* referred to on p. 114.

4. The expression “outbreak of war” in this Proclamation means 11 p.m. on the 4th August, 1914, in relation to the German

Empire, its colonies and dependencies, and midnight on the 12th August, 1914, in relation to Austria-Hungary, its colonies and dependencies.

5. From and after the date of this Proclamation the following prohibitions shall have effect (save so far as licences may be issued as hereinafter provided), and We do hereby accordingly warn all persons resident, carrying on business or being in Our Dominions—

- (1) Not to pay any sum of money to or for the benefit of an enemy.
- (2) Not to compromise or give security for the payment of any debt or other sum of money with or for the benefit of an enemy.

NOTE.—In *Rex v. Kupfer* the Court of Criminal Appeal held that a person in H.M. Dominions who discharged during the war a debt due before the war by an enemy firm to a neutral firm by payment to a London bank for account of the neutral firm was guilty of an offence under this Proclamation, since by such a payment the resources of individuals in Germany were augmented or protected (1915, *Law Journal*, K.B., vol. lxxxiv, p. 1021).

- (3) Not to act on behalf of an enemy in drawing, accepting, paying, presenting for acceptance or payment, negotiating or otherwise dealing with any negotiable instrument.
- (4) Not to accept, pay, or otherwise deal with any negotiable instrument which is held by or on behalf of an enemy, provided that this prohibition shall not be deemed to be infringed by any person who has no reasonable ground for believing that the instrument is held by or on behalf of an enemy.
- (5) Not to enter into any new transaction, or complete any transaction already entered into with an enemy in any stocks, shares, or other securities.
- (6) Not to make or enter into any new marine, life, fire or other policy or contract of insurance with or for the benefit of an enemy ; nor to accept, or give effect to any insurance of, any risk arising under any policy or contract of insurance (including re-insurance) made or entered into with or for the benefit of an enemy before the outbreak of War.<sup>1</sup>
- (7) Not directly or indirectly to supply to or for the use or benefit of, or obtain from, an enemy country or an enemy, any goods, wares or merchandise, nor directly or indirectly to supply to or for the use or benefit of, or obtain from any person any goods, wares or merchandise, for or by way of transmission to or from an enemy country or an enemy, nor directly or indirectly to trade in or carry any goods, wares or merchandise

<sup>1</sup> This paragraph was revoked and another paragraph substituted for it by the Proclamation of 8th October, 1914 (see p. 182).

destined for or coming from an enemy country or an enemy.

- (8) Not to permit any British ship to leave for, enter or communicate with, any port or place in an enemy country.
- (9) Not to enter into any commercial, financial or other contract or obligation with or for the benefit of an enemy.

NOTE.—In *Tingley v. Muller* (1917, *Law Journal*, Chancery, vol. lxxxvi, p. 625) it was held that a contract for the purchase of a house entered into in the United Kingdom with an agent acting under an irrevocable power of attorney, received from a person who subsequently became an enemy, but was not an enemy when the power was given, was not a transaction with or for the benefit of an enemy within the meaning of this provision, and that since such a contract did not involve commercial intercourse with an enemy or a payment to an enemy during the war, it could not be treated as void. Lord Justice Bankes, in the course of his judgment in this case, expressed the view that a knowledge of the facts which rendered the act unlawful was an essential element of the offence under this clause.

- (10) Not to enter into any transactions with an enemy if and when they are prohibited by an Order of Council made and published on the recommendation of a Secretary of State, even though they would otherwise be permitted by law or by this or any other Proclamation.

And we do hereby further warn all persons that whoever in contravention of the law shall commit, aid, or abet any of the aforesaid acts, is guilty of a crime and will be liable to punishment and penalties accordingly.

6. Provided always that where an enemy has a branch locally situated in British, allied, or neutral territory, not being neutral territory in Europe, transactions by or with such branch shall not be treated as transactions by or with an enemy.<sup>1</sup>

7. Nothing in this Proclamation shall be deemed to prohibit payments by or on account of enemies to persons resident, carrying on business or being in Our Dominions, if such payments arise out of transactions entered into before the outbreak of War or otherwise permitted.

8. Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our licence, or by the licence given on Our behalf by a Secretary of State, or the Board of Trade, whether such licences be especially granted to individuals or be announced as applying to classes of persons.

9. This Proclamation shall be called the Trading with the Enemy Proclamation, No. 2.

Given at Our Court at Buckingham Palace, this Ninth day of September, in the year of our Lord one thousand nine hundred and fourteen, and in the Fifth year of Our Reign.

God save the King

<sup>1</sup> See Proclamation of 7th January, 1915, on p. 186

PROCLAMATION DATED SEPTEMBER 30, 1914, EXTENDING THE PROHIBITIONS CONTAINED IN THE TRADING WITH THE ENEMY PROCLAMATION No. 2

BY THE KING

*A Proclamation extending the Prohibitions contained in the Proclamation of the 9th September, 1914, relating to Trading with the Enemy.*

*George R.I.*

Whereas the State of War between Us and the German Empire and the State of War between Us and the Dual Monarchy of Austria-Hungary referred to by Us in Our Proclamation of the ninth day of September, 1914, still continue to exist :

And whereas it is desirable to extend the prohibitions contained in Our said Proclamation :

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation declaring, and it is hereby declared, as follows :—

1. From and after the date of this Proclamation—

(1) The importation of such sugar as is hereinafter mentioned is prohibited.

(2) The following prohibition shall have effect (save so far as licences may be issued as hereinafter provided) in addition to the prohibitions contained in Our said Proclamation, and We do hereby accordingly warn all persons resident, carrying on business, or being in our Dominions—

(a) Not directly or indirectly to import or cause or procure to be imported or to be concerned with the importation into any part of Our Dominions or into any other country or place whatever through or from any port in Europe of raw or refined sugar made or produced by an enemy or in an enemy country, or refined sugar (wherever made or produced) made or produced from raw sugar made or produced by an enemy or in an enemy country.

(b) Not directly or indirectly to deal in any sugar as aforesaid.

2. And We do hereby further warn all persons that whoever in contravention of the law shall commit, aid or abet any of the aforesaid acts is guilty of a crime and will be liable to punishment and penalties accordingly.

3. Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our licence, or by the licence given on Our behalf by a Secretary of State or the Board of Trade, whether such licence be granted especially to individuals or be announced as applying to classes of persons.



4. The words "enemy" and "enemy country" and "person" shall have the same meaning in this Our Proclamation as in Our said Proclamation of the ninth day of September, 1914.

Given at Our Court at Buckingham Palace, this Thirtieth day of September, in the year of our Lord one thousand nine hundred and fourteen, and in the Fifth year of Our Reign.<sup>1</sup>

God save the King

PROCLAMATION, DATED OCTOBER 8, 1914, AMENDING  
THE TRADING WITH THE ENEMY PROCLAMATION,  
No. 2

BY THE KING

*A Proclamation relating to Trading with the Enemy*

*George R.I.*

Whereas it is desirable to amend Our Proclamation of the 9th September, 1914, called "The Trading with the Enemy Proclamation, No. 2":

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation declaring and it is hereby declared as follows:—

1. Paragraph 5, heading (6), of the Trading with the Enemy Proclamation, No. 2, is hereby revoked and in lieu thereof the following heading shall be inserted in the said Paragraph 5 as from the date hereof:—

(6) "Not to make or enter into any new marine, life, fire or other policy or contract of insurance (including re-insurance) with or for the benefit of an enemy; nor to accept, or give effect to any insurance of, any risk arising under any policy or contract of insurance (including re-insurance) made or entered into with or for the benefit of an enemy before the outbreak of war; and in particular as regards Treaties or Contracts of re-insurance current at the outbreak of war to which an enemy is a party or in which an enemy is interested not to cede to the enemy or to accept from the enemy under any such Treaty or Contract any risk arising under any policy or contract of insurance (including re-insurance) made or entered into after the outbreak of war, or any share in any such risk."

2.—(1) The expression "Order of Council made and published on the recommendation of a Secretary of State" in Paragraph 5, heading (10), of the Trading with the Enemy Proclamation, No. 2, shall, as regards persons resident carrying on business or being in Our Dominions beyond the Seas, be taken to mean an Order of the Governor in Council published in the *Official Gazette*.

<sup>1</sup> This Proclamation was revoked by the Proclamation of 26th October, 1914 (see p. 184).

(2) The expression "Governor in Council" in this Paragraph means as respects Canada the Governor-General of Canada in Council, as respects India the Governor-General of India in Council, as respects Australia the Governor-General of Australia in Council, as respects New Zealand the Governor of New Zealand in Council, as respects the Union of South Africa the Governor-General of the Union of South Africa in Council, as respects Newfoundland the Governor of Newfoundland in Council, and as respects any other British Possession the Governor of that Possession in Council.

3. The power to grant licences on Our behalf vested by Paragraph 8 of the Trading with the Enemy Proclamation, No. 2, in a Secretary of State may be exercised in Canada, India, Australia and the Union of South Africa by the Governor-General, and in any British Possession not included within the limits of Canada, India, Australia or South Africa by the Governor.

4. In this Proclamation the expression "Governor-General" includes any person who for the time being has the powers of the Governor-General, and the expression "Governor" includes the Officer for the time being administering the Government.

5. Notwithstanding anything contained in Paragraph 6 of the Trading with the Enemy Proclamation, No. 2, where an enemy has a branch locally situated in British, allied or neutral territory, which carries on the business of insurance or re-insurance of whatever nature, transactions by or with such branch in respect of the business of insurance or re-insurance shall be considered as transactions by or with an enemy.

NOTE.—In *Ingle Limited v. Mannheim Insurance Co. Limited* (1915), *Law Reports*, 1 K.B., p. 227) it was held that a claim by the assured under an insurance policy issued by the London branch of an enemy company was not a transaction within the meaning of this paragraph, and that the right to receive payments from enemies arising out of pre-war transactions being expressly preserved by paragraph 7 of the Proclamation of the 9th September (see p. 180), the assured was not debarred from recovering the loss.

6. This Proclamation shall be read as one with the Trading with the Enemy Proclamation, No. 2.

Given at Our Court at Buckingham Palace, this Eighth day of October, in the year of our Lord one thousand nine hundred and fourteen, and in the Fifth year of Our Reign.

God save the King

PROCLAMATION, DATED OCTOBER 26, 1914, EXTENDING THE PROHIBITIONS CONTAINED IN THE TRADING WITH THE ENEMY PROCLAMATION, No. 2

BY THE KING

*A Proclamation extending the Prohibitions contained in the Proclamation of the 9th September, 1914, relating to Trading with the Enemy*

*George R.I.*

Whereas by Our Proclamation dated the 9th day of September, 1914, called the Trading with the Enemy Proclamation, No. 2, certain prohibitions, as therein more specifically set forth, were imposed upon all persons therein referred to :

And whereas by Our Proclamation dated the 30th day of September, 1914, the prohibitions contained in the Trading with the Enemy Proclamation, No. 2, were extended, and the importation of sugar was prohibited as therein more specifically set forth :

And whereas by Our Proclamation dated the 8th day of October, 1914, Our Proclamation of the 9th September, 1914, called the Trading with the Enemy Proclamation, No. 2, was amended as therein more specifically set forth :

And whereas it is desirable to revoke Our Proclamation dated the 30th day of September, 1914 :

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation declaring, and it is hereby declared, as follows :—

1. The aforesaid Proclamation of the 30th day of September is hereby as from the date hereof revoked, and from and after the date hereof this present Proclamation is substituted therefor.

2. The importation into the United Kingdom of all sugar is hereby prohibited, provided that the foregoing prohibition shall not extend to sugar (not being raw or refined sugar made or produced by an enemy or in an enemy country, or refined sugar made or produced from raw sugar made or produced by an enemy or in an enemy country)—

(a) cleared from the port of shipment to this country on or before the 26th October, 1914 ;

(b) imported under contract made prior to the 4th August, 1914.

3. Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our licence, or by the licence given on Our behalf by a Secretary of State or the Board of Trade, whether such licence be granted especially to individuals or be announced as applying to classes of persons.

4. The words “ enemy ” and “ enemy country ” and “ person ”

shall have the same meaning in this Our Proclamation as in Our said Proclamation of the 9th day of September, 1914.

Given at Our Court at Buckingham Palace, this Twenty-sixth day of October, in the year of our Lord one thousand nine hundred and fourteen, and in the Fifth year of Our Reign.

God save the King

PROCLAMATION, DATED NOVEMBER 5, 1914, EXTENDING TO THE WAR WITH TURKEY THE PROCLAMATIONS AND ORDERS IN COUNCIL (OTHER THAN AN ORDER IN COUNCIL OF AUGUST 4, 1914, AS TO ENEMY SHIPS) RELATING TO THE WAR

BY THE KING

*A Proclamation extending to the War with Turkey the Proclamations and Orders in Council now in force relating to the War*

*George R.I.*

Whereas, owing to hostile acts committed by Turkish forces under German officers, a state of war now exists between Us and the Sultan of Turkey ;

And whereas on the 4th day of August, 1914, a state of war came into existence between Us and the German Emperor ;

And whereas We did on the same date and on certain other dates subsequent thereto issue certain Proclamations and Orders in Council connected with such state of war ;

And whereas on the 12th day of August, 1914, a state of war came into existence between Us and the Emperor of Austria, King of Hungary ;

And whereas certain of the aforesaid Proclamations and Orders in Council have since been extended so as to cover the state of war between Us and the Emperor of Austria, King of Hungary ;

And whereas it is desirable now to provide for the state of war between Us and the Sultan of Turkey ;

And whereas the Convention relating to the status of enemy merchant vessels at the outbreak of hostilities, signed at The Hague on the 18th October, 1907, has not been ratified by the Sultan of Turkey, and therefore We do not think fit to extend to Turkish ships the Order in Council issued on the 4th day of August, 1914, with reference to the departure from Our ports of enemy vessels, which at the outbreak of hostilities were in any such port or which subsequently entered the same :

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation declaring, and it is hereby declared, as follows :—

1. The Proclamations and Orders in Council issued with reference to the state of war between Us and the German Emperor,



or with reference to the state of war between Us and the German Emperor and the Emperor of Austria, King of Hungary, other than the Order in Council issued on the 4th day of August, 1914, with reference to the departure from Our ports of enemy vessels, which at the outbreak of hostilities were in any such ports, or which subsequently entered the same, shall, if still in force, apply to the state of war between Us and the Sultan of Turkey as from this 5th day of November, 1914.

2. The Proclamation issued on the 5th day of August, 1914, warning all Our subjects, and all persons resident or being in Our Dominions, from contributing to or participating in, or assisting in the floating of, any loan raised on behalf of the German Government, or from advancing money to or entering into any contract or dealings whatsoever with the said Government, or otherwise aiding, abetting, or assisting the said Government, shall be deemed as from this 5th day of November, 1914, to apply to all loans raised on behalf of, or contracts or dealings entered into with, or to aiding, abetting, or assisting the Ottoman Government.

3. The words "enemy country" in any of the Proclamations or Orders in Council referred to in Article 1 of this Proclamation shall include the Dominions of His Imperial Majesty the Sultan of Turkey other than Egypt, Cyprus, and any territory in the occupation of Us or Our allies.

Given at Our Court at Buckingham Palace, this Fifth day of November, in the year of our Lord one thousand nine hundred and fourteen, and in the fifth year of Our Reign.

God save the King

PROCLAMATION, DATED JANUARY 7, 1915, EXTENDING THE TRADING WITH THE ENEMY PROCLAMATION (No. 2) AND THE PROCLAMATION OF OCTOBER 8, 1914, AMENDING THE SAME

BY THE KING

*A Proclamation relating to Trading with the Enemy*

*George R.I.*

Whereas by Our Proclamation dated the 9th day of September, 1914, called the Trading with the Enemy Proclamation, No. 2, certain prohibitions as therein more specifically set forth, were imposed upon all persons therein referred to :

And whereas by Our Proclamation dated the 8th day of October, 1914, the Trading with the Enemy Proclamation, No. 2, was amended as therein more specifically set forth :

And whereas by Our Proclamation dated the 5th day of November, 1914, it was declared that the aforesaid Proclamations,

amongst others, should apply to the state of war existing between Us and the Sultan of Turkey :

And whereas it is desirable to extend the scope of the prohibitions contained in the aforesaid Proclamations in the manner hereinafter appearing :

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation, declaring, and it is hereby declared, as follows :—

1. Notwithstanding anything contained in paragraph 6 of the Trading with the Enemy Proclamation No. 2 transactions hereafter entered into by persons firms or companies resident carrying on business or being in the United Kingdom

(a) in respect of banking business with a branch situated outside the United Kingdom of an enemy person firm or company, or

(b) in respect of any description of business with a branch situated outside the United Kingdom of an enemy bank,

shall be considered as transactions with an enemy :

Provided that the acceptance payment or other dealing with any negotiable instrument which was drawn before the date of this Proclamation shall not, if otherwise lawful, be deemed to be a transaction hereafter entered into within the meaning of this paragraph.

2. The power to grant licences on Our behalf vested by paragraph 8 of the Trading with the Enemy Proclamation No. 2 in a Secretary of State, or the Board of Trade, may also be exercised by the Lords Commissioners of Our Treasury.

3. If the Governor in Council of any British possession shall issue a Proclamation extending the provisions of this Proclamation to transactions by persons firms or companies resident carrying on business or being in that possession such first mentioned Proclamation shall have effect as if it were part of this Proclamation.

4. This Proclamation shall be read as one with the Trading with the Enemy Proclamation No. 2, and with Our Proclamation dated the 8th day of October amending the same.

Given at Our Court at Buckingham Palace, this Seventh day of January, in the year of our Lord one thousand nine hundred and fifteen, and in the Fifth year of Our Reign.

God save the King

TREASURY EXPLANATORY STATEMENT, APPEARING IN THE PRESS, THURSDAY, FEBRUARY 4TH, WITH REGARD TO BANKING TRANSACTIONS WITH BRANCHES OF ENEMY FIRMS, ETC.

As some misunderstanding has arisen with regard to the Proclamation of the 7th January relating to Trading with the Enemy, it may be as well to explain that it was not intended, nor is it proposed, to interfere by this Proclamation with *bonâ fide* commercial transactions simply on the ground

that they may involve some financial operation which technically comes within the meaning of the words "banking business," if that operation is merely incidental to the transaction, and does not affect the general character of the transaction, as a commercial (distinguished from a banking) transaction.

Nor was it intended, nor is it proposed, to interfere by this Proclamation with transactions of British banks or their branches with firms which do not do banking business or which, in carrying out the special transaction, are acting in the ordinary way of commerce, and not in any way as bankers, so long as those transactions are permissible independently of the Proclamation.

Licences will also be granted in proper cases to British banking firms having branches in neutral countries, not being neutral countries in Europe, enabling them to continue their banking business notwithstanding that the business, by bringing them into contact at some point or another with branches of enemy banks, may technically be within the prohibition of the Proclamation.

TREASURY CHAMBERS, WHITEHALL, S.W.

3rd February, 1915.

## THE TRADING WITH THE ENEMY (OCCUPIED TERRITORY) PROCLAMATION, 1915. DATED FEBRUARY 16, 1915

BY THE KING

*A Proclamation relating to Trading with the Enemy  
(Occupied Territory)*

*George R.I.*

Whereas, as a result of the present war, certain territory forming part of the territory of an enemy country, is or may be in the effective military occupation of Us or Our Allies, or of a Neutral State (in this Proclamation referred to as "territory in friendly occupation"), and certain territory forming part of Our territory or of that of an allied or neutral State, is or may be in the effective military occupation of an enemy (in this Proclamation referred to as "territory in hostile occupation"):

And whereas it is expedient in Our interest and in that of Our Allies that the Proclamations relating to trading with the enemy should apply to territory in friendly occupation as they apply to Our territory or that of Our Allies, and should apply to territory in hostile occupation as they apply to an enemy country:

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation declaring, and it is hereby declared, as follows:—

1. The Proclamations for the time being in force relating to trading with the enemy shall apply to territory in friendly occupation as they apply to Our territory or that of Our Allies, and to territory in hostile occupation as they apply to an enemy country.

2. Any references to the outbreak of the war in any Proclamation so applied shall, as respects territory in friendly or hostile occupation, be construed as references to the time at which the territory so became in friendly or hostile occupation.

3. The certificate of any person authorized by a Secretary of State to give such certificates that any territory is in friendly or

hostile occupation within the meaning of this Proclamation, or as to the time at which any territory so became or ceased to be territory in friendly or hostile occupation, shall, for the purposes of this Proclamation, be final and conclusive.

4. Nothing in this Proclamation shall be taken to prohibit anything which may be expressly permitted by Our Licence or by a licence given on Our behalf by a Secretary of State, or the Board of Trade, or the Lords Commissioners of Our Treasury, whether such licences be specially granted to individuals or be announced as applying to classes of persons, or to prohibit any special arrangements which may be made by any such licence or otherwise with Our authority for special treatment of any occupied territory or persons in any such occupied territory entitled to such special treatment.

5. This Proclamation shall be called the Trading with the Enemy (Occupied Territory) Proclamation, 1915.

Given at Our Court at Buckingham Palace, this Sixteenth day of February, in the year of our Lord one thousand nine hundred and fifteen, and in the Fifth year of Our Reign.

God save the King

THE TRADING WITH THE ENEMY (CHINA, SIAM, PERSIA,  
AND MOROCCO) PROCLAMATION, 1915. DATED  
JUNE 25, 1915

BY THE KING

*A Proclamation relating to Trading with Persons of Enemy Nationality Resident or Carrying on Business in China, Siam, Persia, or Morocco*

*George R.I.*

Whereas it is expedient that transactions between British subjects and persons of enemy nationality resident or carrying on business in China, Siam, Persia, or Morocco should be restricted in manner provided by this Proclamation :

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation declaring, and it is hereby declared, as follows :—

1. The Proclamations for the time being in force relating to Trading with the Enemy shall, as from the twenty-sixth day of July, nineteen hundred and fifteen, apply to any person or body of persons of enemy nationality resident or carrying on business in China, Siam, Persia, or Morocco in the same manner as they apply to persons or bodies of persons resident or carrying on business in an enemy country.

Provided that where an enemy has a branch locally situated in China, Siam, Persia, or Morocco, nothing in Article 6 of the Trading with the Enemy Proclamation No. 2 shall be construed



so as to prevent transactions by or with that branch being treated as transactions by or with an enemy.

2. Nothing in this Proclamation shall be taken to prohibit anything which may be specially permitted by Our licence or by a licence given on Our behalf by a Secretary of State or the Board of Trade or the Lords Commissioners of Our Treasury.

3. This Proclamation shall be called the Trading with the Enemy (China, Siam, Persia, and Morocco) Proclamation, 1915.

Given at Our Court at Buckingham Palace, this Twenty-fifth day of June, in the year of our Lord one thousand nine hundred and fifteen, and in the Sixth year of Our Reign.

God save the King

# PROCLAMATION, DATED SEPTEMBER 14, 1915, FURTHER DEFINING THE EXPRESSION "ENEMY" IN THE TRADING WITH THE ENEMY PROCLAMATIONS

BY THE KING

## *A Proclamation relating to Trading with the Enemy*

*George R.I.*

Whereas doubts have arisen as respects the position under the Proclamations for the time being in force relating to Trading with the Enemy of incorporated companies or bodies of persons which, though not incorporated in any enemy country or in territory in hostile occupation, carry on business in any such country or territory :

And whereas it is expedient that the position of those companies or bodies for the purposes of those Proclamations should be defined :

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation declaring, and it is hereby declared, as follows :—

For the purposes of the Proclamations for the time being in force relating to Trading with the Enemy, the expression "enemy," notwithstanding anything in the said Proclamations, is hereby declared to include, and to have included, any incorporated company or body of persons (wherever incorporated) carrying on business in an enemy country or in any territory for the time being in hostile occupation.

Given at Our Court at Buckingham Palace, this Fourteenth day of September, in the year of our Lord one thousand nine hundred and fifteen, and in the Sixth year of Our Reign.

God save the King

NOTE.—This Proclamation was presumably issued in consequence of the decision of the Court of Appeal in the *Aljustrel Mines Co. v. Anglo-Belgian Agency* that since only a part of Belgium was in hostile occupation, a company

incorporated in Belgium was not incorporated in an enemy country within the meaning of paragraph 3 of the Proclamation of 9th September, 1914 (1915, *Law Journal*, Chancery, vol. lxxxiv, p. 849). As to the scope of the term "carrying on business in an enemy country" see judgment of Bankes L.J. in *Central Indian Mining Company, Ltd., v. Société Coloniale Anversoise*, 1919, *Times Law Reports*, vol. xxxvi, p. 88.

PROCLAMATION, DATED OCTOBER 16, 1915, EXTENDING  
TO THE WAR WITH BULGARIA THE PROCLAMA-  
TIONS AND ORDERS IN COUNCIL (OTHER THAN  
AN ORDER IN COUNCIL OF AUGUST 4, 1914) NOW  
IN FORCE RELATING TO THE WAR

BY THE KING

*A Proclamation extending to the War with Bulgaria the Proclamations and Orders in Council now in force relating to the War*

*George R.I.*

Whereas, owing to the King of the Bulgarians, an Ally of the Central Powers, being now in a state of war with the King of Serbia, Our Ally, a state of war now exists between Us and the King of the Bulgarians :

And whereas on the 4th day of August, 1914, a state of war came into existence between Us and the German Emperor :

And whereas We did on the same date and on certain other dates subsequent thereto issue certain Proclamations and Orders in Council connected with such state of war :

And whereas on the 12th day of August, 1914, a state of war came into existence between Us and the Emperor of Austria, King of Hungary :

And whereas certain of the aforesaid Proclamations and Orders in Council have since been extended so as to cover the state of war between Us and the Emperor of Austria, King of Hungary :

And whereas on the 5th day of November, 1914, a state of war came into existence between Us and the Sultan of Turkey :

And whereas certain of the aforesaid Proclamations and Orders in Council have since been extended so as to cover the state of war between Us and the Sultan of Turkey :

And whereas We have since the said 5th day of November, 1914, issued certain other Proclamations and Orders in Council with reference to the state of war between Us and the German Emperor, the Emperor of Austria, King of Hungary, and the Sultan of Turkey :

And whereas it is desirable now to provide for the state of war between Us and the King of the Bulgarians :

And whereas the Convention relating to the status of enemy merchant vessels at the outbreak of hostilities, signed at The Hague on the 18th day of October, 1907, has not been ratified by

the King of the Bulgarians, and therefore We do not think fit to extend to Bulgarian ships the Order in Council issued on the 4th day of August, 1914, with reference to the departure from Our ports of enemy vessels, which at the outbreak of hostilities were in any such port or which subsequently entered the same :

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation declaring, and it is hereby declared, as follows :—

1. The Proclamations and Orders in Council issued with reference to the state of war between Us and the German Emperor, or with reference to the state of war between Us and the German Emperor and the Emperor of Austria, King of Hungary, or with reference to the state of war between Us and the German Emperor, the Emperor of Austria, King of Hungary, and the Sultan of Turkey, other than the Order in Council issued on the 4th day of August, 1914, with reference to the departure from Our ports of enemy vessels, which at the outbreak of hostilities were in any such ports, or which subsequently entered the same, shall, if still in force, apply to the state of war between Us and the King of the Bulgarians as from this 16th day of October, 1915.

2. The Proclamation issued on the 5th day of August, 1914, warning all Our subjects, and all persons resident or being in Our Dominions, from contributing to or participating in, or assisting in the floating of, any loan raised on behalf of the German Government, or from advancing money to or entering into any contract or dealings whatsoever with the said Government, or otherwise aiding, abetting, or assisting the said Government, shall be deemed as from this 16th day of October, 1915, to apply to all loans raised on behalf of, or contracts or dealings entered into with, or to aiding, abetting, or assisting the Bulgarian Government.

3. The words “ enemy country ” in any of the Proclamations or Orders in Council referred to in Article 1 of this Proclamation shall include the Dominions of the King of the Bulgarians, and the words “ persons of enemy nationality ” in any of the said Proclamations or Orders in Council shall include subjects of the King of the Bulgarians.

Given at Our Court at Buckingham Palace, this Sixteenth day of October, in the year of our Lord one thousand nine hundred and fifteen, and in the Sixth year of Our Reign.

God save the King ✓

THE TRADING WITH THE ENEMY (LIBERIA AND  
PORTUGUESE EAST AFRICA) PROCLAMATION, 1915.  
DATED NOVEMBER 10, 1915

BY THE KING

*A Proclamation relating to Trading with Persons of Enemy Nationality resident or carrying on Business in Liberia or Portuguese East Africa*

*George R.I.*

Whereas it is expedient that transactions between British subjects and persons of enemy nationality resident or carrying on business in Liberia or Portuguese East Africa should be restricted in manner provided by this Proclamation :

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation declaring, and it is hereby declared, as follows :—

1. The Proclamations for the time being in force relating to Trading with the Enemy shall, as from the Tenth day of December, one thousand nine hundred and fifteen, apply to any person or body of persons of enemy nationality resident or carrying on business in Liberia or Portuguese East Africa in the same manner as they apply to persons or bodies of persons resident or carrying on business in an enemy country.

Provided that where an enemy has a branch locally situated in Liberia or Portuguese East Africa nothing in Article 6 of the Trading with the Enemy Proclamation No. 2 shall be construed so as to prevent transactions by or with that branch being treated as transactions by or with an enemy.

2. Nothing in this Proclamation shall be taken to prohibit anything which may be specially permitted by Our licence or by a licence given on Our behalf by a Secretary of State or the Board of Trade or the Lords Commissioners of Our Treasury.

3. This Proclamation shall be called the Trading with the Enemy (Liberia and Portuguese East Africa) Proclamation, 1915.

Given at Our Court at Buckingham Palace, this Tenth day of November, in the year of our Lord one thousand nine hundred and fifteen, and in the Sixth year of Our Reign.

God save the King



THE TRADING WITH THE ENEMY (STATUTORY LIST)  
PROCLAMATION, 1916, No. 3. DATED MAY 23, 1916

BY THE KING

*A Proclamation prohibiting Trading with Certain Persons, or Bodies of Persons, of Enemy Nationality or Enemy Association*

*George R.I.*

Whereas by the Trading with the Enemy (Extension of Powers) Act, 1915, it is enacted that We may, by Our Royal Proclamation, prohibit all persons or bodies of persons, incorporated or unincorporated, resident, carrying on business, or being in the United Kingdom, from trading with any persons or bodies of persons even though not resident or carrying on business in enemy territory or in territory in the occupation of the enemy (other than persons or bodies of persons, incorporated or unincorporated, residing or carrying on business solely within Our Dominions) wherever by reason of the enemy nationality or enemy association of such persons or bodies of persons, incorporated or unincorporated, it appears to Us expedient so to do :

*And whereas by Our Proclamations of the 29th day of February and the 26th day of April, 1916—called the Trading with the Enemy (Statutory List) Proclamations, 1916—We prohibited persons and bodies of persons, incorporated or unincorporated, resident, carrying on business, or being in the United Kingdom, from trading as therein mentioned with certain persons mentioned in the List issued with Our Proclamation of the 29th day of February, 1916 :*

*And whereas under the power in that behalf given by Section 1, subsection (2) of the said Act variations in and additions to such List have been made by subsequent Orders of Council :*

*And whereas it is desirable to restate and consolidate the prohibitions contained in such former Proclamations and to consolidate the List issued with Our Proclamation of the 29th day of February, 1916, with the variations therein and additions thereto made by such subsequent Orders of Council, and for that purpose to revoke such Proclamations, and to substitute this Proclamation therefor :*

And whereas it appears to Us expedient to prohibit all persons or bodies of persons, incorporated or unincorporated, resident, carrying on business, or being in the United Kingdom, from trading with any of the persons or bodies of persons mentioned in the list hereunder written, by reason of the enemy nationality or enemy association of such last-mentioned persons or bodies of persons :

Now, therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation declaring, and it is hereby declared, as follows :—

1. The Proclamations of the 29th day of February (with the variations and additions made to the List therein contained by

subsequent Orders of Council) and the 26th day of April, 1916, called the Trading with the Enemy (Statutory List) Proclamations, 1916, are hereby as from the date hereof revoked and from the date hereof this Proclamation is substituted therefor.

2. All persons or bodies of persons, incorporated or unincorporated, resident, carrying on business, or being in the United Kingdom are hereby prohibited from trading with any of the persons or bodies of persons mentioned in the list hereunder written, which list, with such variations therein or additions thereto as may be made by any Order made by the Lords of the Council on the recommendation of a Secretary of State under the power in that behalf given by Section 1, subsection (2) of the Trading with the Enemy (Extension of Powers) Act, 1915, shall be called, and is hereinafter referred to as, the Statutory List, and the Statutory List hereunder written shall as from the date hereof supersede and be in substitution for the Statutory List issued with Our Proclamation of the 29th day of February, 1916, as varied and added to by the Orders of Council making variations therein and additions thereto.

3. For the purposes of this Proclamation a person shall be deemed to have traded with a person or body of persons mentioned in the Statutory List if he enters into any transaction or does any act with, to, on behalf of, or for the benefit of, any such person or body of persons which if entered into or done with, to, on behalf of, or for the benefit of, an enemy would be trading with the enemy, and accordingly Our Proclamation relating to Trading with the Enemy of the ninth day of September, nineteen hundred and fourteen, as amended by any subsequent Proclamation, shall apply with respect to the persons or bodies of persons mentioned in the Statutory List as if for references in such Proclamations to enemies there were substituted references to the persons and bodies of persons mentioned in the Statutory List, and for references to the dates of the said Proclamations, and the outbreak of war, there were substituted references to the date of this Proclamation or in respect of any person or body of persons hereafter added to the Statutory List the date of the Order adding him or them to the Statutory List.

4. The provisions of the Trading with the Enemy Acts, 1914 to 1916, and of the Customs (War Powers) Acts, 1915 and 1916, and all other enactments relating to Trading with the Enemy, shall, subject to such exceptions and adaptations as are prescribed by Order in Council of even date herewith or as may be prescribed by any Order in Council hereafter to be issued, apply in respect of the persons and bodies of persons mentioned in the Statutory List, as if for references in such enactments to trading with the enemy there were substituted references to trading with the persons and bodies of persons mentioned in the Statutory List, and for references to enemies there were substituted references to the persons and bodies of persons mentioned in the Statutory

List, and for references to offences under the Trading with the Enemy Acts, 1914 to 1916, or any of those Acts, there were substituted references to offences under the Trading with the Enemy (Extension of Powers) Act, 1915.

5. Nothing in this Proclamation shall be taken to prohibit:—

- (a) Any person or body of persons, incorporated or unincorporated, resident, carrying on business, or being in the United Kingdom who is engaged in any *non-enemy* country in the business of insurance from carrying on in that country such business (*other than the business of Marine Insurance or of the insurance against fire or any other risk of goods or merchandise during transit from shipper's or manufacturer's warehouse until deposited in warehouse on the termination of the transit, if any part of the transit is by sea*) with or through the agency of any of the persons or bodies of persons mentioned in the Statutory List;
- (b) Any person or body of persons, incorporated or unincorporated, resident, carrying on business, or being in the United Kingdom who is engaged in working any Railway or other service of Public Utility in any *non-enemy* country under any Charter, Grant, or Concession made by the Government of, or by any Provincial or Municipal Authority in, any such country from trading with any of the persons or bodies of persons mentioned in the Statutory List, so far only as is necessary to enable the person or body of persons engaged in working such Railway or other service of Public Utility to comply with or fulfil the obligations or conditions of the Charter, Grant, or Concession under which the working of the Railway or other service of Public Utility is carried on; or
- (c) Any person or body of persons, incorporated or unincorporated, resident, carrying on business, or being in the United Kingdom from entering into any transaction or doing any act which shall be permitted by Our Licence or by any Licence given on Our behalf by a Secretary of State or by any person authorized in that behalf by a Secretary of State whether such Licence be specially granted to an individual or be announced as applying to classes of persons.

6. This Proclamation shall be called "The Trading with the Enemy (Statutory List) Proclamation, 1916, No. 3."

NOTE.—This is an example of the Proclamations issued under the Act. The list following it is omitted.

Except for the addition of the words in italics and the substitution of the word "non-enemy" for "neutral" in articles 5(a) and 5(b), this Proclamation is identical with those issued on 29th February and 26th April. It was amended by the Proclamation of the 16th January, 1918. (See p. 200.)



PROCLAMATION, DATED SEPTEMBER 7, 1916, RE-  
QUIRING RETURNS TO BE MADE OF BRITISH  
PROPERTY IN ENEMY TERRITORY AND CLAIMS  
BY BRITISH SUBJECTS AGAINST ENEMY PERSONS  
AND ENEMY GOVERNMENTS

BY THE KING

*A Proclamation requiring Returns to be made of British Property  
in Enemy Territory and Claims by British Subjects against  
Enemy Persons and Enemy Governments*

*George R.I.*

Whereas in the interests of Our Realm, it is of great importance that full information should be obtained with regard to property in enemy territory belonging to Our subjects, and also with regard to the claims of Our subjects against enemy persons and enemy Governments :

And whereas for the purpose of obtaining that information, it is necessary that returns of such property and claims should be made by Our subjects to the Officers appointed to receive the same :

Now, therefore, We strictly command and enjoin Our subjects within the United Kingdom, the Channel Islands and the Isle of Man, or within any country or place outside Our Dominions and Protectorates who are entitled to property of any description whatsoever in enemy territory or to any interest in such property or have claims against enemy persons or enemy Governments, forthwith to make returns of their said property or claims to the Officers appointed to receive the same :

Provided that it shall not be necessary to make such returns respecting property or claims, whereof returns have before the date of this Proclamation been voluntarily made to such Officers as aforesaid in the form prescribed by them.

The Officers appointed to receive such returns shall be :—

- (a) In the case of property in enemy territory and of claims against enemy persons, the Public Trustee, Kingsway, London, W.C.
- (b) In the case of claims against enemy Governments, the Directors of the Foreign Claims Office, Foreign Office, London, S.W.

The said returns shall be made in such form and with such particulars as the Public Trustee and the Directors of the Foreign Claims Office may respectively require.

For the purposes of this Proclamation :—the expression “ property ” includes documents of title to property ; the expression “ enemy territory ” means the territory of any State at war with Us (including the Colonies and Dependencies thereof) ; the expression “ enemy persons ” includes all persons, firms, com-



panies and corporations, residing or carrying on business in enemy territory; the expression "enemy Government" means the Government of any State at war with Us.

Given at Our Court at Windsor Castle, this Seventh day of September, in the year of our Lord one thousand nine hundred and sixteen, and in the Seventh year of Our Reign.

God save the King

**PROCLAMATION DATED NOVEMBER 27, 1917, REQUIRING RETURNS TO BE MADE OF BRITISH PROPERTY IN TERRITORY IN HOSTILE OCCUPATION, AND CLAIMS BY BRITISH SUBJECTS AGAINST PERSONS, FIRMS, COMPANIES AND CORPORATIONS RESIDING OR CARRYING ON BUSINESS IN SUCH TERRITORY**

BY THE KING

*A Proclamation requiring Returns to be made of British Property in Territory in Hostile Occupation, and Claims by British Subjects against Persons, Firms, Companies and Corporations Residing or Carrying on Business in such Territory*

*George R.I.*

Whereas by Our Proclamation dated the 7th day of September, 1916, We strictly commanded and enjoined Our subjects within the United Kingdom, the Channel Islands, and the Isle of Man, or within any country or place outside Our Dominions and Protectorates, who were entitled to property of any description whatsoever in enemy territory, or to any interest in such property, or had claims against enemy persons, to make returns of their said property or claims to the Public Trustee, Kingsway, London, W.C.2:

And whereas in the interests of Our Realm, it is of great importance that full information should be obtained with regard to property belonging to Our subjects which is situate in territory in hostile occupation, and also with regard to claims of Our subjects against Persons, Firms, Companies and Corporations residing or carrying on business in such territory:

Now, therefore, We strictly command and enjoin Our subjects within the United Kingdom, the Channel Islands, and the Isle of Man, or within any country or place outside Our Dominions and Protectorates who are entitled to property of any description whatsoever which is situate in territory in hostile occupation, or to any interest in such property, or have claims against Persons, Firms, Companies and Corporations residing or carrying on business in such territory, forthwith to make returns of their said property or claims to the Public Trustee, Kingsway, London, W.C.2, in such form and with such particulars as he may require,

provided that it shall not be necessary to make such returns respecting property or claims whereof returns have, before the date of this Proclamation, been already made to the Public Trustee.

The expression "territory in hostile occupation" means any territory forming part of Our territory or of that of an Allied or neutral State which is or may be in the effective military occupation of a State at war with Us.

Given at Our Court at Buckingham Palace, this Twenty-seventh day of November, in the year of our Lord one thousand nine hundred and seventeen, and in the Eighth year of Our Reign.

God save the King

THE TRADING WITH THE ENEMY (ENEMY SUBJECTS INTERNED IN NEUTRAL COUNTRIES) PROCLAMATION, 1917. DATED NOVEMBER 27, 1917

BY THE KING

*A Proclamation relating to Trading with certain Persons of Enemy Nationality interned in Neutral Countries*

*George R.I.*

Whereas it is expedient that transactions between British subjects and persons of enemy nationality who have been removed from Our Dominions and are interned in neutral countries should be restricted in manner hereinafter provided :

Now, therefore, We, by and with the advice of our Privy Council, think fit to declare, and it is hereby declared, as follows :—

1. The Proclamations for the time being in force relating to Trading with the Enemy shall, as from the date of this Proclamation, apply to any persons of enemy nationality who have been removed from any part of our Dominions for the purpose of being interned in and are interned in any neutral country, in the same manner as they apply to persons resident or carrying on business in an enemy country.

2. Nothing in this Proclamation shall be taken to prohibit anything which may be specially permitted by Our licence or by a licence given on Our behalf by the Lords Commissioners of Our Treasury or the Board of Trade.

3. This Proclamation may be cited as the Trading with the Enemy (Enemy Subjects interned in Neutral Countries) Proclamation, 1917

Given at Our Court at Buckingham Palace, this Twenty-Seventh day of November, in the year of our Lord one thousand nine hundred and seventeen, and in the Eighth year of Our Reign.

God save the King

PROCLAMATION DATED JANUARY 16, 1918, AMENDING  
THE TRADING WITH THE ENEMY (STATUTORY  
LIST) PROCLAMATION, 1916, No. 3

BY THE KING

*A Proclamation relating to Trading with the Enemy*

*George R.I.*

Whereas it is advisable to amend Our Proclamation of the 23rd day of May, 1916, called "The Trading with the Enemy (Statutory List) Proclamation, 1916, No. 3":

Now, Therefore, We have thought fit, by and with the advice of Our Privy Council, to issue this Our Royal Proclamation declaring, and it is hereby declared, as follows:—

1. As from the date hereof there shall be inserted in paragraph 5 (a) of the Trading with the Enemy (Statutory List) Proclamation, 1916, No. 3, next after the words "Marine Insurance" the words "or of Fire Insurance."

2. As from the date hereof there shall be added, next after paragraph 5 (a) of Our said Proclamation, the following paragraph:—

"(aa) Any person or body of persons, incorporated or unincorporated, resident, carrying on business, or being in the United Kingdom, from re-insuring for any Company or Firm, who is engaged in any non-enemy Country in the business of Fire Insurance, and is not an Enemy Company or Firm, or the branch of an Enemy Company or Firm, or mentioned in the Statutory List, any fire risk insured by that Company or Firm for any person or body of persons mentioned in the Statutory List, if and so far as the re-insurance of such risk is obligatory under the conditions of any Treaty or Contract of Re-insurance current on the 31st day of December, 1917, or under the conditions of any renewal or revision of a Treaty or Contract of Re-insurance so current, if such renewal or revision has been approved by the Controller of the Foreign Trade Department of the Foreign Office";

3. As from the date hereof there shall be added, next after Paragraph 5 of Our said Proclamation, the following paragraphs:—

"6. Where by any Proclamation for the time being in force any paragraphs, or words, are directed to be added to, or omitted from, this Proclamation, or to be substituted for any other paragraphs or words in this Proclamation, or where by any Proclamation, or Order of Council, for the time being in force any variation in, or addition to, the Statutory List is made, copies of this Proclamation, printed under the authority of His Majesty's Stationery Office after such direction takes

effect, or after such variation or addition is made, may be printed with the paragraphs or words added, or omitted, or substituted for other paragraphs or words, as such direction requires, or with such variation in, or addition to, the Statutory List; and this Proclamation shall be construed as if it had, on the date at which such direction takes effect, or variation or addition is made, been issued with such addition, omission, substitution or variation as such direction, variation or addition requires, and with the paragraphs thereof numbered in accordance with such direction."

"7. A reference in any Order in Council, or other document, to this Proclamation, or to the Statutory List shall, unless the context otherwise requires, be construed to refer to this Proclamation, or to the Statutory List, as amended by any Proclamation or Order of Council for the time being in force."

4. As from the date hereof Paragraph 6 of Our said Proclamation shall be numbered 8, and the figures and letters "1916, No. 3," omitted therefrom.

5. This Proclamation shall be read as one with the Trading with the Enemy (Statutory List) Proclamation, 1916, No. 3.

Given at Our Court at Buckingham Palace, this Sixteenth day of January, in the year of our Lord one thousand nine hundred and eighteen, and in the Eighth year of Our Reign.

God save the King



## CHAPTER V

### LICENCES

#### (A) *LICENCES TO ENEMY BANKS*

#### THE ALIENS RESTRICTION (No. 2) ORDER, 1914<sup>1</sup>

At the Court at Buckingham Palace, the 10th day of August, 1914

PRESENT :

The King's most Excellent Majesty in Council

Whereas by the Aliens Restriction Order, 1914, His Majesty was pleased to impose restrictions upon aliens and to make various provisions for carrying those restrictions into effect :

And whereas it is desirable to extend and amend the said Order in manner hereinafter provided :

Now, therefore, His Majesty is pleased, by and with the advice of His Privy Council, to order, and it is hereby ordered, as follows :

#### *Carrying on of Banking Business*

1. An alien enemy shall not carry on or engage in any banking business except with the permission in writing of a Secretary of State, and to such extent and subject to such conditions and supervision as the Secretary of State may direct, and an alien enemy who is or has been carrying on or engaged in banking business shall not, except with the like permission, part with any money or securities in the bank where he is or has been carrying on or engaged in business, and shall, if so required, deposit any such money or securities in such custody as the Secretary of State may direct.

Any constable, if authorized by a superintendent of police, or officer of higher rank, may, for the purpose of enforcing the provisions of this Article, enter, if necessary by force, and search or occupy any premises in which the business of banking is or has been carried on by an alien enemy.

<sup>1</sup> This Order was revoked on 9th September, 1914, but the provisions of Article 1 are comprised in identical words in Article 24 of the Consolidation Order of that date. This in turn was repealed, but the provisions of the Article in question were again reproduced in identical words in Article 24 of the Aliens Restriction (Consolidation) Order, 1916.

For the purposes of this Article, any person who is a member of a firm or a director of a company carrying on banking business in the United Kingdom shall be deemed to be carrying on banking business.

This Article shall have effect as though it were included and had always been included in the Aliens Restriction Order, 1914.

. . . . .

4. This Order may be cited as the Aliens Restriction (No. 2) Order, 1914.

*Almeric Fitzroy.*

### FIRST LICENCE ISSUED BY HOME OFFICE TO GERMAN BANKS, DATED 10TH AUGUST, 1914

In pursuance of the powers conferred on me by the Aliens Restriction (No. 2) Order in Council, 1914, made this day under the Aliens Restrictions Act, 1914, I hereby permit

THE DEUTSCHE BANK,  
THE DRESDNER BANK,  
THE DISCONTO-GESELLSCHAFT,

to carry on banking business in the United Kingdom subject to the following limitations, conditions, supervision, and requirement as to the deposit of money and securities:—

1. That the permission shall extend only to the completion of the transactions of a banking character entered into before the 5th day of August, 1914, and that no new transaction of any kind save such as may be necessary or desirable for the purpose of the completion of the first-mentioned transactions shall be entered into by or on behalf of the British establishments of the Banks.
2. That the business to be transacted under this permission shall be limited to such operations as may be necessary for making the realizable assets of the Banks available for meeting their liabilities, and for discharging these liabilities as far as may be practicable.
3. That all transactions carried out under this permission shall be subject to the supervision and control of a person to be appointed for the purpose by the Treasury, who shall have absolute discretion—
  - (a) to refuse to permit any payment that may appear to him to be contrary to the interest of the nation;
  - (b) to permit any such new transactions as are in his opinion necessary or desirable for the purpose of the completion of the transactions first mentioned in paragraph (1);
  - (c) to permit or refuse to permit the completion of any particular transaction whatsoever.

4. That any assets of the Banks which may remain undistributed after their liabilities have, so far as possible in the circumstances, been discharged, shall be deposited with the Bank of England to the order of the Treasury.  
(Signed) *R. McKenna*,

One of His Majesty's Principal Secretaries of State.

HOME OFFICE,  
WHITEHALL, S.W.,  
10th August, 1914.

NOTE.—A licence in identical terms was granted to the Austrian banks (i.e. the Oesterreichische Laenderbank and the Anglo-Austrian Bank) on 13th August, 1914, the day after the outbreak of war with Austria-Hungary.

### AMENDED LICENCES TO ENEMY BANKS OF 19TH SEPTEMBER, 1914

In pursuance of the powers conferred on me by the Aliens Restriction (No. 2) Order in Council, 1914, made on the 10th day of August, under the Aliens Restriction Act, 1914, I hereby permit—

THE DEUTSCHE BANK,  
THE DRESDNER BANK,  
THE DISCONTO-GESELLSCHAFT,  
THE OESTERREICHISCHE LAENDERBANK,  
THE ANGLO-AUSTRIAN BANK,

to carry on banking business in the United Kingdom subject to the following limitations, conditions, supervision, and requirement as to the deposit of money and securities:—

1. The permission shall extend only to the completion of the transactions of a banking character entered into before the  $\frac{5}{13}$ th day of August, 1914, so far as those transactions would, in ordinary course, have been carried out through or with the London establishments. The permission does not extend to any operations for the purposes of making available assets which would ordinarily be collected by, or of discharging liabilities which would ordinarily be discharged by, establishments of the Banks other than the London establishments. No new transactions of any kind save such as may be necessary or desirable for the purpose of the completion of the first-mentioned transactions shall be entered into by or on behalf of the London establishments of the Banks.
2. The business to be transacted under this permission shall be limited to such operations as may be necessary for making the realizable assets of the Banks available for meeting their liabilities, and for discharging these liabilities as far as may be practicable.

3. All transactions carried out under this permission shall be subject to the supervision and control of a person to be appointed for the purpose by the Treasury, who shall have absolute discretion :

(a) to refuse to permit any payment that may appear to him to be contrary to the interest of the nation ;

(b) to permit any such new transactions as are in his opinion necessary or desirable for the purpose of the completion of the transactions first mentioned in paragraph 1 ;

(c) to permit or to refuse to permit the completion of any particular transaction whatsoever.

4. Any assets of the Banks which may remain undistributed after their liabilities have, so far as possible in the circumstances, been discharged, shall be deposited with the Bank of England to the order of the Treasury.

The permission granted by me on the  $\frac{10}{13}$ th day of August, 1914, is hereby revoked.

(Signed) *R. McKenna*,

One of His Majesty's Principal Secretaries of State.

HOME OFFICE, WHITEHALL,  
19th September, 1914.

#### LICENCE TO ENEMY BANKS OF 14TH OCTOBER, 1914

In pursuance of the powers conferred on me by the Trading with the Enemy Proclamation No. 2, dated 9th September, 1914, I hereby authorize

The London Agencies of

THE DEUTSCHE BANK,  
THE DRESDNER BANK,  
THE DISCONTO-GESELLSCHAFT,  
THE OESTERREICHISCHE LAENDERBANK,  
THE ANGLO-AUSTRIAN BANK,

to receive dividends payable in connexion with any shares registered in the name of the Head Offices of the said Banks, but held by their London Agencies as nominees on behalf of British or neutral clients ; and I also hereby authorize the Secretaries of the Companies concerned to accept transfers of any such shares from the names of the said Banks provided that the transfer has been approved by the Official Supervisor of the said Banks, notwithstanding anything in the said Proclamation or in the permission to carry on banking business in the United Kingdom granted by me to the said Banks.

(Signed) *R. McKenna*,

One of His Majesty's Principal Secretaries of State.

HOME OFFICE, WHITEHALL,  
14th October, 1914.



## LICENCE TO ENEMY BANKS OF 3RD JULY, 1915

OFFICE OF THE PARLIAMENTARY COUNSEL,  
WHITEHALL, S.W.,  
3rd July, 1915.

You are hereby authorized to present for payment on behalf of enemy customers coupons or drawn bonds which fall within Section 2 of the Trading with the Enemy Amendment Act, 1914, and to receive the proceeds on the understanding that payment is made to the Custodian within seven days of the receipt thereof of any moneys received in respect of enemy customers' accounts for which your Bank has no lien.

(Signed) *Arthur T. Thring.*

## LICENCE TO ENEMY BANKS OF 30TH JULY, 1915

OFFICE OF THE PARLIAMENTARY COUNSEL,  
WHITEHALL, S.W.,  
30th July, 1915.

The Trading with the Enemy Amendment Act, 1915, having been passed, the provisions of Section 2 of the Trading with the Enemy Amendment Act, 1914, are extended to interest on, and money received on payment off of, securities issued by or on behalf of the Government, or the Government of any of His Majesty's Dominions or any foreign Government, or by or on behalf of any corporation or any municipal or other authority, whether within or without the United Kingdom; the authority given to you with respect to the presentation for payment of coupons and bonds drawn for payment will therefore extend to such securities as aforesaid.

(Signed) *Arthur T. Thring.*

## LICENCE OF 13TH NOVEMBER, 1916

## DEUTSCHE BANK (LONDON AGENCY) LICENCE

In pursuance of the powers conferred on me by the Aliens Restriction (Consolidation) Order, 1916, and of all other powers enabling me in that behalf, I hereby, after consultation with the Lords Commissioners of the Treasury, direct as follows:—

Notwithstanding anything in the Aliens Restriction (Consolidation) Order, 1916, or in any Act or Proclamation relating to Trading with the Enemy, any steps may be taken, or other thing done, under the supervision, control and direction of a person appointed for the purpose by the Treasury, which may be required for the purpose of, or in connexion with—

1. The payment over to British, Allied or Neutral subjects, or to persons on their behalf, of balances standing to

the credit of those subjects at the London Agency of the Deutsche Bank (hereinafter referred to as the Bank) or of money held by the Bank on their account ;

2. The transfer or delivery to British, Allied or Neutral subjects, or to persons on their behalf, of securities or property in the possession, or at the disposal, of the Bank, but belonging to, or held for, or on account of, those subjects ;
3. The transfer or delivery to the Custodian of securities or property in the possession, or at the disposal, of the Bank, but belonging to, or held for, or on account of, enemies ;
4. The sale of securities or property in the possession, or at the disposal, of the Bank for the purpose of satisfying any lien of the Bank ;
5. The collection, receipt, or realization of any money, property, or other assets belonging to the Bank which may be outstanding, and the collection and receipt of income from any property or securities in the possession, or at the disposal, of the Bank pending the transfer or delivery of the property or securities to other persons ;
6. The disposal of any money, assets, or income, so collected, received, or realized, either by way of the deposit thereof with the Bank of England to the order of the Treasury, or by way of the payment, transfer, or delivery thereof to a British, Allied or Neutral subject, or to the Custodian, as the case may require, and the disposal, in accordance with the direction of the Treasury, of any money, property, or securities belonging to, or held for, or on account of a British, Allied, or Neutral subject, as to the disposal of which no instructions can be obtained ; and
7. The payment of any expenses of or incidental to any steps already or hereafter taken, or anything already or hereafter done, in connexion with the affairs of the Bank, under the supervision, control, or direction of any person appointed by the Treasury for the purpose.

This licence shall be deemed to have had effect as from the 30th day of October, 1916.

(Signed) *Herbert Samuel*,

One of His Majesty's Principal Secretaries of State.

HOME OFFICE, WHITEHALL,  
13th November, 1916.

NOTE.—A licence in identical terms was issued to the Dresdner Bank and the Disconto Gesellschaft on the 28th September, 1917.

LICENCE GRANTED NOVEMBER 5, 1914, BY THE  
SECRETARY OF STATE, PERMITTING CERTAIN  
TURKISH BANKS TO CARRY ON BUSINESS

In pursuance of the powers conferred upon me by the Aliens Restriction (Consolidation) Order, 1914, made on the 9th day of September under the Aliens Restriction Act, 1914, I hereby permit—

THE IMPERIAL OTTOMAN BANK,  
THE NATIONAL BANK OF TURKEY,

to carry on banking business in the United Kingdom, subject to the following limitations, conditions, and supervision :—

1. The permission shall for the present extend only to the payment of cheques drawn upon, and bills payable by, the Banks and the collection of cheques and bills held by the Banks.
2. All transactions carried out under this permission shall be subject to the supervision and control of a person to be appointed for the purpose by the Treasury, who shall have absolute discretion to refuse to permit any payment that may appear to him to be contrary to the interests of the nation.

*R. McKenna,*  
One of His Majesty's Principal  
Secretaries of State.

HOME OFFICE,  
WHITEHALL,  
5th November, 1914.

LICENCE GRANTED NOVEMBER 30, 1914, BY THE  
SECRETARY OF STATE, PERMITTING CERTAIN  
TURKISH BANKS TO CARRY ON BUSINESS

In pursuance of the powers conferred on me by the Aliens Restriction (Consolidation) Order, 1914, made on the 9th day of September, 1914, under the Aliens Restriction Act, 1914, I hereby permit—

THE IMPERIAL OTTOMAN BANK,  
THE NATIONAL BANK OF TURKEY,

to carry on banking business at all their establishments situated within the United Kingdom, subject to the following limitations, conditions, and supervision :—

- (1) No transactions shall take place, directly or indirectly, with the establishments of the said Banks situated in

enemy territory, or with any persons resident in enemy territory ;

- (2) All transactions carried out under this permission shall be subject to the supervision and control of a person to be appointed for the purpose by the Treasury, who shall have absolute discretion to refuse to permit any payment or transaction that may appear to him to be contrary to the interests of the nation.

This permission may be modified or revoked at any time by the Secretary of State.

The permission granted by me on the 5th day of November, 1914, is hereby revoked as from the date hereof.

*R. McKenna,*

One of His Majesty's Principal  
Secretaries of State.

HOME OFFICE,  
WHITEHALL,  
30th November, 1914.

# LICENCE GRANTED BY THE TREASURY, JANUARY 8, 1915, PERMITTING TRANSACTIONS BY CERTAIN TURKISH BANKS WITH THEIR ESTABLISHMENTS IN FRANCE, CYPRUS, OR EGYPT, &c.

In pursuance of the powers conferred upon Them by Section 2 of the Proclamation relating to Trading with the Enemy, dated the 7th day of January, 1915, the Lords Commissioners of His Majesty's Treasury hereby permit—

THE IMPERIAL OTTOMAN BANK,  
THE NATIONAL BANK OF TURKEY,

notwithstanding anything contained in Section 1 of the said Proclamation, to enter into transactions at any or all of their establishments situate in the United Kingdom in respect of banking business with any establishments of the said Banks situate in France, Cyprus, or Egypt, or situate in any part of the Turkish Dominions which may for the time being be occupied by the forces of His Majesty or His Majesty's Allies.

Provided that all such transactions shall be subject to the limitations, conditions, and supervision prescribed in the permission, dated the 30th November, 1914, granted by one of His Majesty's Principal Secretaries of State.

This permission may be modified or revoked at any time by the Lords Commissioners of His Majesty's Treasury.

*T. L. Heath.*

TREASURY CHAMBERS,  
8th January, 1915.



LICENCE GRANTED BY THE TREASURY, DATED  
JANUARY 8, 1915, PERMITTING TRANSACTIONS BY  
THE PUBLIC WITH ESTABLISHMENTS IN FRANCE,  
CYPRUS, EGYPT, &c., OF CERTAIN TURKISH  
BANKS

In pursuance of the powers conferred upon them by Section 2 of the Proclamation relating to Trading with the Enemy, dated the 7th day of January, 1915, the Lords Commissioners of His Majesty's Treasury hereby permit persons, firms or companies resident, carrying on business or being in the United Kingdom, notwithstanding anything contained in Section 1 of the said Proclamation, to enter into transactions in respect of banking business with any establishments of

THE IMPERIAL OTTOMAN BANK,  
THE NATIONAL BANK OF TURKEY,

situate in France, Cyprus, or Egypt, or situate in any part of the Turkish Dominions which may for the time being be occupied by the forces of His Majesty or His Majesty's Allies.

This permission may be modified or revoked at any time by the Lords Commissioners of His Majesty's Treasury.

*T. L. Heath.*

TREASURY CHAMBERS,  
8th January, 1915.

LICENCE GRANTED FEBRUARY 18, 1919, BY THE  
SECRETARY OF STATE PERMITTING CERTAIN  
TURKISH BANKS TO CARRY ON BUSINESS

In pursuance of the powers conferred on me by the Aliens Restriction Order made under the Aliens Restriction Act, 1914, I hereby permit

THE IMPERIAL OTTOMAN BANK,  
THE NATIONAL BANK OF TURKEY,

to carry on banking business at all their establishments situated within the United Kingdom.

This permission may be modified or revoked at any time by the Secretary of State.

The permission granted by the Secretary of State of the 30th day of November, 1914, is hereby revoked as from the date hereof without prejudice to anything done thereunder.

*Edward Shortt,*

One of His Majesty's Principal  
Secretaries of State.

(B) *LICENCES RELATING TO PATENTS, DESIGNS, AND  
TRADE MARKS*

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LICENCE GRANTED BY THE BOARD OF TRADE,  
SEPTEMBER 23, 1914, UNDER THE TRADING WITH  
THE ENEMY PROCLAMATION, No. 2, PERMITTING  
PAYMENT OF CERTAIN FEES IN RESPECT OF  
PATENTS, DESIGNS AND TRADE MARKS

Whereas by Royal Proclamation relating to Trading with the Enemy, dated the 9th day of September, 1914, it was, amongst other things, declared as follows :—

“ The expression ‘ enemy country ’ in this Proclamation means the territories of the German Empire and of the Dual Monarchy of Austria-Hungary, together with all the Colonies and Dependencies thereof.

“ The expression ‘ enemy ’ in this Proclamation means any person or body of persons of whatever nationality resident or carrying on business in the enemy country, but does not include persons of enemy nationality who are neither resident nor carrying on business in the enemy country. In the case of incorporated bodies enemy character attaches only to those incorporated in an enemy country.”

And whereas it was also declared by the said Proclamation that from and after the date of the said Proclamation, all persons resident, carrying on business, or being in His Majesty’s Dominions were prohibited from doing certain acts therein more specifically referred to :

And whereas it was further declared by the said Proclamation as follows :—

“ Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our licence, or by the licence given on Our behalf by a Secretary of State, or the Board of Trade, whether such licences be especially granted to individuals or be announced as applying to classes of persons.”

And whereas it appears desirable to grant the licence hereinafter set out ;

Now therefore the Board of Trade, acting on behalf of His Majesty, and in pursuance of the power reserved in the said Proclamation, do hereby give and grant licence to all persons resident, carrying on business, or being in His Majesty’s Dominions,

To pay any fees necessary for obtaining the grant, or for obtaining the renewal of Patents, or for obtaining the registration of Designs or Trade Marks, or the renewal of such registration in an “ enemy country.”

And also to pay on behalf of an “ enemy ” any fees payable on application for or renewal of the grant of a British Patent or

on application for the registration of British Designs or Trade Marks or the renewal of such registration.

Dated this twenty-third day of September, 1914.

For and on behalf of the Board of Trade,

*H. Llewellyn Smith,*  
Secretary to the said Board.

**LICENCE GRANTED BY THE BOARD OF TRADE,  
NOVEMBER 4, 1914, PERMITTING PAYMENT OF  
CERTAIN FEES IN RESPECT OF PATENTS, DESIGNS  
AND TRADE MARKS**

Whereas by Royal Proclamation relating to Trading with the Enemy, dated the 9th day of September, 1914, it was, amongst other things, declared as follows :—

“The expression ‘enemy country’ in this Proclamation means the territories of the German Empire and of the Dual Monarchy of Austria-Hungary, together with all the Colonies and Dependencies thereof.

“The expression ‘enemy’ in this Proclamation means any person or body of persons of whatever nationality resident or carrying on business in the enemy country, but does not include persons of enemy nationality who are neither resident nor carrying on business in the enemy country. In the case of incorporated bodies enemy character attaches only to those incorporated in an enemy country.”

And whereas it was also declared by the said Proclamation that from and after the date of the said Proclamation the persons therein referred to were prohibited from doing certain acts therein more specifically mentioned :

And whereas it was further declared by the said Proclamation as follows :—

“Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our licence or by the licence given on Our behalf by a Secretary of State or the Board of Trade whether such licences be specially granted to individuals or be announced as applying to classes of persons.”

And whereas in pursuance of the powers conferred by the Trading with the Enemy Proclamation No. 2 the Board of Trade, acting on behalf of His Majesty by licence dated the 23rd day of September, 1914, granted licence to the persons therein referred to to pay the fees therein more specifically mentioned :

And whereas by Proclamation dated the 8th day of October, 1914, the said Proclamation dated the 9th day of September, 1914, called the Trading with the Enemy Proclamation No. 2, was amended as therein more specifically set forth, and the said Proclamation of the 8th day of October, 1914, was to be read as one with the Trading with the Enemy Proclamation No. 2 :

And whereas in consequence of the provisions of the said Proclamation dated the 8th day of October, 1914, it is desirable to restate and modify the provisions contained in the before-recited licence dated the 23rd day of September, 1914.

Now, therefore, the Board of Trade, acting on behalf of His Majesty, and in pursuance of the power reserved in the said Proclamation and all other powers thereunto them enabling, do hereby revoke the said licence dated the 23rd day of September, 1914, and do hereby give and grant licence to all persons resident, carrying on business or being in the United Kingdom

To pay any fees necessary for obtaining the grant or for obtaining the renewal of patents or for obtaining the registration of Designs or Trade Marks or the renewal of such registration in an "enemy country";

And also to pay on behalf of an "enemy" any fees payable in the United Kingdom on application for or renewal of the grant of a patent or on application for the registration of Designs or Trade Marks or the renewal of such registration.

Dated this 4th day of November, 1914.

*H. Llewellyn Smith,*  
Secretary to the said Board.

#### LICENCE GRANTED BY THE BOARD OF TRADE, DECEMBER 7, 1915, PERMITTING PAYMENT OF CERTAIN FEES IN RESPECT OF PATENTS, DESIGNS AND TRADE MARKS

Whereas by Royal Proclamation relating to Trading with the Enemy, dated the 9th day of September, 1914, it was, amongst other things, declared as follows:—

"The expression 'enemy country' in this Proclamation means the territories of the German Empire and of the Dual Monarchy of Austria-Hungary together with all the Colonies and Dependencies thereof":

"The expression 'enemy' in this Proclamation means any person or body of persons, of whatever nationality, resident or carrying on business in the enemy country, but does not include persons of enemy nationality who are neither resident nor carrying on business in the enemy country. In the case of incorporated bodies enemy character attaches only to those incorporated in an enemy country":

And whereas it was also declared by the said Proclamation that from and after the date of the said Proclamation the persons therein referred to were prohibited from doing certain acts therein more specifically mentioned:

And whereas it was further declared by the said Proclamation as follows:—

"Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our Licence,



or by the licence given on Our behalf by a Secretary of State, or the Board of Trade, whether such licences be especially granted to individuals or be announced as applying to classes of persons ” :

And whereas by Proclamation dated the 8th day of October, 1914, the said Proclamation dated the 9th day of September, 1914, called the Trading with the Enemy Proclamation No. 2 was amended as therein more specifically set forth and the said Proclamation of the 8th day of October, 1914, was to be read as one with the Trading with the Enemy Proclamation No. 2 :

And whereas in pursuance of the powers conferred by the above-recited Proclamations the Board of Trade acting on behalf of His Majesty by licence dated the 4th day of November, 1914, granted licence to the persons therein referred to to pay the fees therein more specifically mentioned :

And whereas by Proclamation dated the 5th day of November, 1914, it was declared that the provisions of the Proclamations and Orders in Council then in force issued with reference to the state of war with the Emperor of Germany and the Emperor of Austria King of Hungary should be extended to the war with Turkey subject to the exception in such Proclamation mentioned, and it was declared that the words ‘ enemy country ’ in any of the Proclamations or Orders in Council referred to in Article 1 of the said Proclamation should include the Dominions of His Imperial Majesty the Sultan of Turkey other than Egypt, Cyprus and any territory in the occupation of Us or Our Allies :

And whereas by Proclamation dated the 7th day of January, 1915, the provisions of the Proclamations dated respectively the 9th day of September, 1914, the 8th day of October, 1914, and the 5th day of November, 1914, were extended as therein more specifically set forth :

And whereas by Proclamation dated the 16th day of February, 1915, called the Trading with the Enemy (Occupied Territory) Proclamation, 1915, it was declared that the Proclamations for the time being in force relating to Trading with the Enemy should apply to territory in friendly occupation as they apply to Our territory or that of Our Allies and to territory in hostile occupation as they apply to an enemy country :

And whereas by Proclamation dated the 25th day of June, 1915, called the Trading with the Enemy (China, Siam, Persia, and Morocco) Proclamation, 1915, it was declared that the Proclamations for the time being in force relating to Trading with the Enemy should apply to any person or body of persons of enemy nationality resident or carrying on business in China, Siam, Persia, or Morocco, in the same manner as they apply to persons or bodies of persons resident or carrying on business in an enemy country, provided that where an enemy has a branch locally situated in China, Siam, Persia, or Morocco, nothing in Article 6 of the Trading with the Enemy Proclamation No. 2 should be construed so as to prevent

transaction by or with that branch being treated as transaction by or with an enemy :

And whereas by Proclamation dated the 14th day of September, 1915, it was declared as follows :

“ For the purposes of the Proclamations for the time being in force relating to Trading with the Enemy the expression ‘ enemy ’ notwithstanding anything in the said Proclamations is hereby declared to include and to have included any incorporated company or body of persons (wherever incorporated) carrying on business in an enemy country or in any territory for the time being in hostile occupation ” :

And whereas by Proclamation dated the 16th day of October, 1915, it was declared that the Proclamations and Orders in Council then in force issued with reference to the state of war with the German Emperor or with reference to the state of war with the German Emperor and the Emperor of Austria King of Hungary or with reference to the state of war with the German Emperor and the Emperor of Austria King of Hungary and the Sultan of Turkey should be extended to the war with Bulgaria subject to the exception in such Proclamation mentioned, and it was declared that the words “ Enemy Country ” in any of the Proclamations or Orders in Council referred to in Article 1 of such Proclamations should include the Dominion of the King of the Bulgarians and the words “ persons of enemy nationality ” in any of the said Proclamations and Orders in Council should include subjects of the King of the Bulgarians :

And whereas by Proclamation dated the 10th day of November, 1915, it was declared that the Proclamations for the time being in force relating to Trading with the Enemy should as from the 10th day of December, 1915, apply to any person or body of persons of enemy nationality resident or carrying on business in Liberia or Portuguese East Africa in the same manner as they apply to persons resident or carrying on business in an enemy country, provided that where an enemy has a branch locally situated in Liberia or Portuguese East Africa nothing in Article 6 of the Trading with the Enemy Proclamation No. 2 should be construed so as to prevent transactions by or with that Branch being treated as transactions by or with an enemy :

And whereas it is desirable to restate and extend the provisions contained in the before-recited licence dated the 4th day of November, 1914 :

Now, therefore, the Board of Trade, acting on behalf of His Majesty, and in pursuance of the powers reserved in the said Proclamations and all other powers thereunto them enabling, do hereby revoke the said licence dated the 4th day of November, 1914, and do hereby give and grant licence :

(1) To all persons residing, carrying on business or being in the United Kingdom to pay

(a) on their own behalf or on behalf of any person or

persons residing, carrying on business or being in the United Kingdom; and

(b) on behalf of any person or persons residing, carrying on business or being in any part of His Majesty's Dominions outside the United Kingdom who have been authorized to make such payments by the Government of that part of His Majesty's Dominions

any fees necessary for obtaining the grant of or for obtaining the renewal of Patents or for obtaining the registration of Designs or Trade Marks or the renewal of such registration in an "enemy country" and to pay to enemy agents their charges and expenses in relation to the matters aforesaid:

(2) To all persons residing, carrying on business or being in the United Kingdom

(a) to pay on behalf of an "enemy" any fees payable in the United Kingdom on application for or renewal of the grant of patents or on application for the registration of designs or trade marks or the renewal of such registration and to pay agents in the United Kingdom (including themselves) their charges and expenses, if any, in relation to matters aforesaid:

(b) to pay on behalf of an "enemy" to any person or persons residing, carrying on business or being in any part of His Majesty's Dominions outside the United Kingdom—subject to such persons having been authorized by the Government of that part of His Majesty's Dominions in which they reside, carry on business or are, to pay on behalf of an enemy any such fees in such part of His Majesty's Dominions—any fees payable on application for or renewal of the grant of patents or on application for the registration of designs or trade marks or the renewal of such registration in such part of His Majesty's Dominions, and also to pay to such persons their charges and expenses, if any, in relation to the matters aforesaid.

Dated this 7th day of December, 1915.

*G. S. Barnes,*  
Secretary to the Board of Trade.

# LICENCE GRANTED BY THE BOARD OF TRADE, SEPTEMBER 5, 1917, PERMITTING PAYMENT OF CERTAIN FEES IN RESPECT OF PATENTS, DESIGNS AND TRADE MARKS

Whereas a Licence was granted by the Board of Trade on 7th December, 1915, permitting in certain circumstances the payment of fees and agents' charges and expenses in respect of patents, trade marks and designs, payable in an enemy country or on behalf of an enemy:

And whereas it has been deemed desirable to amend the terms of the said Licence :

Now therefore the Board, acting on behalf of His Majesty and in pursuance of all powers thereunto them enabling, do hereby amend the said Licence dated 7th December, 1915, as follows, that is to say :

The said Licence shall have effect subject to the following amendments :

- (a) The words " person " or " persons " respectively wherever they occur in clauses 1 and 2 thereof shall mean a person or persons being of British, Allied or Neutral nationality:
- (b) In clauses 1 (b) and 2 (b) of the said Licence there shall be added immediately after the words " His Majesty's Dominions," wherever they occur, the words " or of Allied territory not in hostile occupation."

The following provisos shall be added, viz. :—

Provided always that as regards payments on behalf of an enemy under clause 2 of the said Licence as amended hereby the same may only be made by the person making the same, out of moneys :—

- (a) remitted by or on behalf of such enemy ; or
- (b) held for or on account of such enemy

and subject to the provisions of the next paragraph hereof nothing in the said Licence or herein shall permit any payments to be made on behalf of an enemy by way of gift or by way of advancement or loan to or on account of such enemy ;

Provided also that nothing herein contained shall prevent persons of British, Allied or Neutral nationality residing, carrying on business or being in the United Kingdom who have an interest in or under a patent or design belonging in whole or in part to an enemy from paying out of their own moneys fees payable in the United Kingdom for obtaining the renewal of such patent or for obtaining the renewal of the registration of such design or from paying agents in the United Kingdom (including themselves) their charges and expenses (if any) in relation to such matters.

Dated this 5th day of September, 1917.

(Signed) *H. Llewellyn Smith*,  
Secretary to the Board of Trade.

## FEES AND AGENTS' CHARGES IN RESPECT OF PATENTS, DESIGNS, AND TRADE MARKS

BOARD OF TRADE.

7, WHITEHALL GARDENS, S.W.,  
15th July, 1918.

Whereas by a Licence dated 7th day of December, 1915, the Board of Trade, in pursuance of the powers conferred upon them by certain Royal Proclamations relating to Trading with the Enemy, authorized all persons in the United Kingdom or in any part of His Majesty's Dominions to pay any fees necessary for



obtaining the grant, registration or renewal of Patents, Designs, or Trade Marks in an enemy country and to pay to enemy agents their charges and expenses in relation to such matters and also to pay on behalf of an enemy fees payable in the United Kingdom or in His Majesty's Dominions on applications for the grant, registration or renewal of Patents, Designs, or Trade Marks and to pay the charges and expenses of agents in relation thereto ;

And whereas the said Licence was amended by a further Licence of the Board of Trade dated 5th September, 1917 ;

And whereas it appears to the Board of Trade that such payments as aforesaid should no longer be authorized ;

Now, therefore, the Board of Trade hereby revoke the said Licences and give notice that all such payments as aforesaid are from the date hereof prohibited under the Proclamations relating to Trading with the Enemy.

*H. Llewellyn Smith,*

A Secretary to the Board of Trade.

#### GENERAL LICENCE, DATED JULY 4, 1919, OF THE BOARD OF TRADE AS TO FEES IN RESPECT OF PATENTS, DESIGNS AND TRADE MARKS

The Board of Trade, on behalf of His Majesty and in pursuance of the powers reserved in the Trading with the Enemy Proclamations and all other powers thereunto them enabling, do hereby give and grant licence—

(1) To all persons residing, carrying on business or being in the United Kingdom, to pay—

(a) on their own behalf or on behalf of any person or persons residing, carrying on business or being in the United Kingdom ;

(b) on behalf of any person or persons residing, carrying on business or being in any part of His Majesty's dominions outside the United Kingdom who have been authorized to make such payments by the Government of that part of His Majesty's dominions ; and

(c) on behalf of any other person who has been authorized or is permitted to make such payments by the Government of the country in which such person resides, carries on business or is,

any fees necessary for obtaining the grant of or for obtaining the renewal of Patents, or for obtaining the registration of Designs or Trade Marks or the renewal of such registration in an enemy country, and to pay to enemy agents their charges and expenses in relation to the matters aforesaid ;

(2) To all persons residing, carrying on business or being in the United Kingdom to pay on behalf of an enemy any fees payable on application for or renewal of the grant of Patents, or on application for the registration of Designs or Trade Marks or the renewal of such registration—

- (a) in the United Kingdom ;
- (b) in any part of His Majesty's dominions outside the United Kingdom where the payment of such fees on behalf of an enemy has been authorized by the Government of that part of His Majesty's dominions ; and
- (c) in any other country where the payment of such fees on behalf of an enemy has been authorized or is permitted by the Government of that country ;

and to pay to—

- (a) agents in the United Kingdom (including themselves) ;
- (b) agents in any part of His Majesty's dominions outside the United Kingdom who have been authorized by the Government of that part of His Majesty's dominions to act on behalf of enemies in connexion with the matters aforesaid ; and
- (c) agents in any other country who have been authorized or are permitted by the Government of that country to act on behalf of enemies in connexion with the matters aforesaid,

their charges and expenses, if any, in relation to the matters aforesaid.

Dated this 4th day of July, 1919.

*H. Llewellyn Smith,*

A Secretary to the Board of Trade.

### (C) MISCELLANEOUS LICENCES

#### LICENCE GRANTED BY THE SECRETARY OF STATE, SEPTEMBER 22, 1914, UNDER THE TRADING WITH THE ENEMY PROCLAMATION, No. 2, PERMITTING CERTAIN PAYMENTS, EXCHANGE TRANSACTIONS AND RECEIPTS

Whereas by paragraph 5 (1) of the Trading with the Enemy Proclamation No. 2, dated September 9th 1914, the payment of any sum of money to or for the benefit of any person or body of persons resident in the territories of the German Empire or in the Dual Monarchy of Austria-Hungary or in the respective

colonies and dependencies thereof, in this licence and in the said Proclamation referred to as "enemy country," is prohibited:

And whereas by paragraph 8 of the said Proclamation it is provided that nothing in the Proclamation shall be taken to prohibit anything which shall be expressly permitted by the licence of a Secretary of State, whether such licence be expressly granted to individuals or be announced as applying to classes of persons:

Now I, the Right Honourable Reginald McKenna, one of His Majesty's Principal Secretaries of State, hereby authorize such persons as may be empowered by the Lords Commissioners of His Majesty's Treasury in that behalf to make such payments and to carry out such exchange transactions for the benefit of persons resident in an enemy country as their Lordships may from time to time sanction, or to receive payment of moneys from persons resident in an enemy country in such cases as their Lordships may from time to time sanction.

*R. McKenna.*

HOME OFFICE, WHITEHALL,  
22nd September, 1914.

**LICENCE GRANTED BY THE BOARD OF TRADE,  
SEPTEMBER 25, 1914, UNDER THE TRADING WITH  
THE ENEMY PROCLAMATION, No. 2, PERMITTING  
BRITISH OWNERS OF CARGO LYING IN NEUTRAL  
PORTS IN ENEMY-OWNED SHIPS TO PAY FREIGHT**

Whereas by paragraph 5 of the Trading with the Enemy Proclamation, No. 2, dated the ninth day of September, 1914, all persons resident, carrying on business, or being in the King's Dominions were prohibited from doing certain things save so far as licences might be issued enabling them so to do.

And whereas by paragraph 8 of the aforesaid Proclamation it is provided that nothing in such Proclamation shall be taken to prohibit anything which shall be expressly permitted by the King's licence or by the licence given on His behalf by a Secretary of State or the Board of Trade, whether such licences be especially granted to individuals or be announced as applying to classes of persons.

Now, therefore, the Board of Trade hereby announce that British owners of cargo now lying in a neutral port in a ship owned by an enemy may for the purpose of obtaining possession of such cargo pay freight and other necessary charges to the Agent of the shipowner at such port.

*G. S. Barnes,*  
A Secretary to the Board of Trade.

BOARD OF TRADE, S.W.,  
25th September, 1914.

NOTE.—The effect of this Licence was merely to enable the owner of the goods to make such bargain as he could with the shipowner in order to

obtain possession, after payment of freight and other charges. It did not in any sense revive the contract of affreightment which had been dissolved by the war. See judgment of Warrington L.J. in *Arnhold Karberg & Co. v. Blythe, Green, Jourdain & Co.* (1916, *Law Reports*, 1 K.B., p. 495.)

### BOARD OF TRADE ANNOUNCEMENT OF SEPTEMBER 27, 1914, AS TO BRITISH CARGOES IN ENEMY SHIPS IN NEUTRAL PORTS

In response to numerous inquiries with regard to the procedure to be adopted by the owners of British cargo in enemy ships in neutral ports in order to safeguard their interests, the Board of Trade, on the recommendation of the Committee on Diverted Cargoes, offer the following suggestions and observations:—

- (1) The Foreign Office have issued instructions to British Consuls to give all possible assistance to British owners of cargo in enemy ships.
- (2) In the case of the sale or attempted sale of the cargo by the Master of the ship, it may be open to the owner of the cargo to obtain redress by legal proceedings in the local courts, and the owner of the cargo, if he desires to take such proceedings, should, whenever practicable, instruct local agents to take the necessary steps.
- (3) If, in lieu of such action, the owner of the cargo desires to arrange for the delivery of the cargo itself, or of the proceeds, if the cargo has been sold, he should give a power of attorney to a local agent with authority to arrange for the transshipment or storage of the cargo, or to receive the proceeds. This transaction would probably involve the payment to the Master of the ship of the freight and other charges.

The Board of Trade, in pursuance of their powers under paragraph 8 of the Trading with the Enemy Proclamation, No. 2, dated 9th September, 1914, have decided that payments may be made by British subjects to the agents of enemy shipowners for the purpose of obtaining possession of their cargoes in neutral ports.

BOARD OF TRADE,  
27th September, 1914.





PART IV  
*TREATIES AND TREATY LEGISLATION*



## CHAPTER I

### A SKETCH OF THE ECONOMIC CLAUSES OF THE TREATIES OF PEACE

THE Treaty of Versailles<sup>1</sup> came into force upon the 10th January, 1920, the Treaty of Saint Germain-en-Laye<sup>2</sup> upon the 16th July, 1920, and the Treaty of Neuilly-sur-Seine<sup>3</sup> upon the 9th August, 1920. The Treaty of Trianon<sup>4</sup> has not yet been ratified. The main provisions affecting property rights and interests are contained in Sections III to VII of Part X of the Treaties of Versailles, St. Germain, and Trianon (see pp. 252-83), and of Part IX of the Treaty of Neuilly (see p. 284). Except for the variations hereafter indicated in Chapters IV and V, those sections are substantially the same in all four Treaties. It is not within the scope of this work to discuss their provisions in detail, or to solve the many and difficult problems of construction which they present. No such attempt could at the present time be made without prejudging questions which are highly controversial, and which cannot be satisfactorily solved until the decisions of the Mixed Arbitral Tribunals have provided final and authoritative interpretations. The most that can be attempted here is a brief explanatory sketch of the provisions in question, based upon those current interpretations which seem the least open to challenge and which have behind them the sanction of established practice.

#### THE CLEARING SECTION

Section III provides a method of clearing debts arising out of pre-war contracts between Allied nationals and nationals of the former enemy States, the adoption of which is optional to each Allied and Associated Power. This method of settlement has been adopted by Great Britain both in the case of Germany and in the case of Austria, but subject in the latter case to certain modifications embodied in an Arrangement which will be found in Appendix XIII.

The actual text of the section will be found on pp. 252-8.

<sup>1</sup> With Germany.    <sup>2</sup> With Austria.    <sup>3</sup> With Bulgaria.    <sup>4</sup> With Hungary.



The substance and effect of its provisions as construed in practice may, in so far as they affect Great Britain, be briefly summarized as follows :—

They prescribe the establishment of Clearing Offices, through whose intervention “ enemy debts ” are to be settled. The term “ enemy debts ” comprises all obligations of the following kinds :

1. Debts due before the war.
2. Debts which became payable during the war and arose out of pre-war transactions—

Provided in either case

- (a) that at the date of the coming into force of the Treaty with the former enemy State the debtor was resident in Great Britain and the creditor in the territory, as constituted by the Treaty, of such former enemy State or vice versa, and
  - (b) that at the material date<sup>1</sup> the debtor was a British national and the creditor a national of the former enemy State or vice versa.
3. Interest which became payable or capital which became repayable before or during the war in respect of Government securities :

- (a) by the British Government to nationals of the former enemy State<sup>2</sup>; or
- (b) by the Government of the former enemy State to British nationals.

“ Enemy debts ” are payable in the currency of the Allied country, Colony, Dominion, or Protectorate, concerned and if expressed in another currency must be converted at the pre-war rate of exchange (see p. 253 and Appendix IV).

In determining whether or not a particular debt is an “ enemy debt ” which can be cleared under this section, the three primary questions to be considered are (a) the nature of the obligation, (b) the nationality of the parties, and (c) the residence of the parties.

*Nature of the Obligation.*—Except as indicated under (3) above, the only debts to which the section applies are private as distinct from Government debts, and it would seem that a Government is not within the provisions of the section either as debtor or creditor, except as regards debts due to or incurred by it in a private capacity (e.g. sums due to British nationals by German Government Savings Banks).

Where a debt has been collected during the war by an

<sup>1</sup> See p. 227 under “ Nationality.”

<sup>2</sup> For material date as regards nationality, see p. 228.

agent on behalf of an enemy principal, the money so collected is treated in practice as an enemy debt due by the agent to the principal. If, for instance, an agent in Germany has sold during the war goods consigned to him before the war by a British principal, he has to account for the proceeds through the Clearing Office; or, to take a further illustration, if a bank balance has accrued in Germany during the war in favour of a British national in consequence of a pre-war contract express or implied between bank and client, whereby the bank has continued to collect dividends, interest, or other moneys due to the client, such balance is treated as an "enemy debt" which the bank must discharge through the Clearing Office.<sup>1</sup> The term "debts" does not include debts already collected by the authorities under war legislation, since the debtor has in such a case discharged his liability to a properly constituted authority. The proceeds of debts so collected are treated as "Proceeds of Liquidation" (see Section IV).

Charges for the warehousing or custody of enemy property during the war, in so far as they arise out of a pre-war contract, are "enemy debts." British property in the former enemy States which has to be restored under Section IV may not be retained as security for such charges (see Article 4 of Agreement of 31st December, 1920, between the British and German Governments in Appendix XIV).

*Nationality.*—Debts which became due before the war are not "enemy debts" unless both debtor and creditor were opposing nationals (i.e. nationals of Great Britain and of the former enemy State respectively) on the date of the coming into force of the Treaty. A former British national, for instance, who before the 10th January, 1920, acquired some other nationality (e.g. by marriage with an alien) is outside the scope of the section, and cannot recover either debts due from former enemies or interest on securities of the former enemy Governments through the Clearing Office. A former alien, on the other hand, who before that date acquired British nationality comes within the section, and may recover through the Clearing Office any debts which were due to him before the war, provided that he himself was resident in the United Kingdom and his debtor was resident in Germany upon the date of coming into force of the Treaty. To take a further

<sup>1</sup> This does not necessarily involve the payment by the German agent or bank of more than was in fact collected (see provisions for settlement between German creditors and the German Clearing Office contained in Article 25 of the German Imperial Clearing Law on p. 340).

example, in the case of a debt due by a partnership in this country consisting of one British subject and two Swedes, only that part of the debt proportionate to the British subject's share in the assets and liabilities of the partnership is payable through the Clearing Office as an "enemy debt," the remaining part being retained as subject to the charge upon enemy property, rights, and interests (see Section IV, pp. 234, 259, and 265).

In the case of debts which became due during the war and arose out of pre-war transactions, it would appear that they cannot be treated as "enemy debts," unless at the time the contract was entered into the parties were nationals of two States which subsequently became "opposing Powers." The point is not entirely free from doubt, but it is difficult to see what other meaning can be attached to the words "transactions or contracts *with* the nationals of an opposing Power" (see p. 252).

In the case of interest or maturity payments on Government securities which accrued due before or during the war (see p. 252), the Treaty does not clearly indicate upon what date the claimant must have possessed the nationality of an opposing Power in order to entitle him to recover through the Clearing Office. It would seem that the determining date must be the date upon which the interest accrued due, and that unless the claimant can satisfy the Clearing Office that he has owned the maturing bond or interest coupon upon which he founds his claim since the date upon which it became payable, or has acquired it since that date from a compatriot, he would not be entitled to recover through the Clearing Office.

It should be observed in this connexion that in the Treaties of St. Germain and Trianon, Section III contains a special provision relating to interest and capital sums which fell due before or during the war in respect of securities of the former Austro-Hungarian Government (see pp. 253, 288). Under the Financial Clauses of those Treaties, responsibility for such securities is to be apportioned between Austria, Hungary, and the new States which were formerly part of Austria-Hungary. It is provided that only interest and capital sums in respect of the proportion allocated to Austria and Hungary respectively shall be settled through the Clearing Offices.<sup>1</sup>

*Residence.*—In the case of debts under 1 and 2 it is essential

<sup>1</sup> No authoritative statement appears yet to have been made with regard to the date as from which, under the Financial Clauses of the Treaties, the new States assume responsibility for the securities allocated to them.

that debtor and creditor respectively should have been resident in the territory of opposing States upon the date of the coming into force of the Treaty. In the case of interest or maturity payments on Government securities, the place of residence of the parties is immaterial; it is nationality alone that counts. To take an illustration: a British national resident abroad on the 10th January, 1920, may recover through the Clearing Office the interest which fell due before or during the war upon his German Government securities, but he may not recover his debts through that office except where he is normally resident in Great Britain and his absence was purely temporary.

Corporate bodies are for the purposes of this section deemed to be nationals of and resident in the country in which they are incorporated and have their principal place of business. For instance, a debt due by the Chinese branch of a company incorporated in the United Kingdom to a German national resident in Germany on 10th January, 1920, is a debt of the Head Office.

*Mutual Obligations of the Contracting Governments.*—The respective Governments undertake responsibility for the collection and payment of debts due by their nationals in so far as such debts are "enemy debts" (see p. 253), except in cases where the debt was statute-barred, or the debtor was already bankrupt, or had given "formal indication of insolvency" before the war, or where the debt is the debt of a company whose business was liquidated under emergency legislation during the war.

They further undertake to prohibit settlement otherwise than through the Clearing Offices and all negotiations or communications in furtherance of any such settlement.<sup>1</sup>

It should be observed that these provisions have been varied, in the case of Austria, by an Arrangement entered into between the British and Austrian Governments (see Appendix XIII). As a result of this Arrangement, debts, after they have been duly proved and admitted, may be settled by amicable agreement between the parties, subject in all cases to the consent of both Clearing Offices. Such settlements are in practice permitted by the British Clearing Office, not only out of funds in Austria or in other countries abroad, but, under certain conditions, out of Austrian funds in the United Kingdom, which are for such purposes released from the charge imposed upon them by virtue of Section IV. In the case of settlements of this latter kind, careful regard must

<sup>1</sup> See, however, General Licences on pp. 302, 312.



necessarily be had to the interests of those who rely upon the liquidation of Austrian property here as the sole means of recovering their debts, and no settlement out of Austrian funds in this country is permitted if the property to be released represents a larger dividend upon the individual debt than it is anticipated will be available for distribution to the general body of British creditors in respect of their Austrian debts. The necessary consequence of a sanctioned settlement under this Arrangement is that the guarantee of the two Governments for the fulfilment of the liabilities of their nationals is *pro tanto* modified. If a British creditor elects to accept a portion of his debt by private settlement on the faith of a promise of further instalments at a future date, he must rely upon the good faith of his Austrian debtor, and upon such remedies as he may have in the courts, since the Austrian Government is necessarily exonerated from further responsibility by the fact that the parties have elected to withdraw their mutual obligations from the scope of the Treaty, and he cannot in such circumstances claim for any deficiency against the charged property of Austrian nationals in this country. In the case of such settlements the British Clearing Office charges  $2\frac{1}{2}$  per cent. on the amount recovered by the British creditor or upon the amount released from the charge to satisfy his claim.

*Obligations of the Clearing Offices.*—The creditor office must notify the debtor office of all debts declared, and the debtor office must thereafter inform the creditor office within three months, or such longer period as may be agreed, of those which are admitted and those which are contested, and in the case of contested debts must furnish the grounds for non-admission (see p. 255). Debts are to be regarded as admitted if no notification of non-admission is received within the appointed or agreed time (see p. 256). In cases of non-admission the Clearing Offices are to examine the matter jointly and to endeavour to bring the parties to an agreement. In the event of disagreement as to whether the debt is due or not, the matter is to be referred, if the parties so agree, to arbitration; otherwise it is to be referred to the Mixed Arbitral Tribunal, or if the creditor office so requests, to the jurisdiction of the courts of the place of domicile of the debtor (see p. 257). In all cases in which the Clearing Office of the creditor decides at the outset that a particular debt is not an “enemy debt” and refuses to notify it to the opposite Clearing Office, it must if required give the creditor a certificate to that

effect (see p. 258). Such decision is final, the creditor being thenceforward entitled to recover on his own account. Where a claim has been notified to the opposite Clearing Office, but both Offices subsequently agree that the debt in question is not an "enemy debt," this joint decision is communicated to the creditor, who is thenceforward entitled to recover on his own account unless, within thirty days, he decides to contest the decision before the Mixed Arbitral Tribunal.

Settlement between the debtor and creditor offices is to be effected by a monthly balancing of accounts. A credit balance arising in favour of Great Britain has to be settled by the Debtor State in cash within a week, but a credit balance in favour of Germany or Austria is to be retained until payment of the "sums due to the Allied or Associated Powers or their nationals on account of the war" (see p. 256). In the case of Austria, the fulfilment of this condition has been waived under the terms of the Arrangement already referred to, and her obligations in respect of cash payments have been confined to half-yearly payments in sterling of the amounts which the Austrian Government has actually collected from Austrian debtors during the preceding six months, provided that the amount so paid must not in any half-year be less than £250,000.

Admitted debts, whether they can be collected or not, are to be credited to the creditor office except where the debtor is a British national who has "suffered injury from acts of war"—in which case, although the debt may be collected by the British Clearing Office, the crediting thereof is to be postponed until "the compensation due to the person concerned in respect of such injury shall have been paid" (see p. 257).<sup>1</sup>

It is provided that the Clearing Offices shall interchange representatives, and that each of the Governments concerned shall appoint an agent to represent its Clearing Office before the Mixed Arbitral Tribunal (see pp. 256, 257).

*Obligations of Debtors and Creditors.*—Creditors are bound to declare all enemy debts due to them to the creditor office within six months from the date of its establishment and to furnish the evidence for proving them (see p. 255). This period, which would have expired on the 10th July, 1920, was extended for British creditors by the Controller, within whose discretion the matter lay, to the 31st March, 1921.

In the case of a debt which is either put forward or contested

<sup>1</sup> This only applies to Germany.

without justification, the party at fault is to be subjected to a fine of 5 per cent. upon the amount improperly claimed or contested (see p. 256). This penal interest only begins to run from the date of the expiration of the period allowed for the consideration and discussion of the claim. At any time within that period either claim or contest may be withdrawn.

Interest at the rate of 5 per cent. from the date of the outbreak of war (or, in the case of debts which became due during the war, from the date on which they fell due) is to be paid upon all "enemy debts" except those which are in themselves in the nature of interest, unless the creditor is under contract, law, or custom entitled to a different<sup>1</sup> rate (see p. 258). It should be noted that although the debtor is not in practice permitted to make any deduction from such interest in respect of income-tax, the interest so paid may be charged as "expenses" against "profits" when he makes his next return to the Income-Tax Commissioners.

*Mixed Arbitral Tribunals.*—The decisions of the Mixed Arbitral Tribunals are to be final and conclusive, and the States concerned are bound to take the legislative steps necessary to render such decisions binding upon their nationals (see p. 258). In the case of appeals against joint decisions of the Clearing Offices the Tribunal is entitled to charge 5 per cent. upon the amount in dispute, which fee is to be borne by the unsuccessful party (see p. 258).

The foregoing are the principal provisions of the Clearing Section as construed in practice. An eminent German jurist, while criticizing the section as needlessly ambiguous, makes the following comment upon it:—

"The whole structure and terminology indicate that it is the work of English jurists, and in spite of its many obscurities and the extreme harshness of its provisions as they affect Germans, it is from the legal standpoint a masterly work."<sup>2</sup>

<sup>1</sup> Where the contract makes no provision for interest, interest is in all cases payable at the Treaty rate, i.e. 5 per cent.

<sup>2</sup> Dr. Julius Lehmann in his commentary upon the German Imperial Clearing Law.

## PROPERTY RIGHTS AND INTERESTS (OTHER THAN "ENEMY DEBTS")

Section IV (see p. 259), while generally validating the war legislation both of Great Britain and of the former enemy States (except Bulgaria, as to which see Article 177 and Clause 1 of Annex to Section IV of Part IX of the Treaty of Neuilly on p. 285), provides for the restitution of British property rights and interests situate within the pre-war boundaries of the former enemy States, which have been subjected to enemy war measures in so far as they have not been actually liquidated and transferred to other ownership during the war, and it provides also for compensation in respect of any damage resulting from such measures.

In the case of property "wherever situated" which has been liquidated under the war legislation either of Great Britain or of the former enemy States or under the provisions of the section (see below), the proceeds have to be credited through the Clearing Offices in sterling at the pre-war rate of exchange (see pp. 253, 261). If the amount so recovered by British claimants is less than the true value of their liquidated property, they have a further claim to compensation, the amount of which is to be determined by the Mixed Arbitral Tribunal. It would appear that no interest is payable upon "proceeds of liquidation," but loss of interest during the war may in such a case give rise to a claim for compensation.

The section further provides that all "Cash Assets" of nationals of the High Contracting Parties shall be similarly credited through the Clearing Offices (see p. 261), and that all investments effected therewith by persons responsible for the administration of enemy property shall be annulled (see p. 267). "Cash Assets" is a novel and somewhat indeterminate expression which only occurs in this section, and the comprehensive definition contained in Clause 11 of the Annex does not entirely remove the obscurity attaching to it. The precise limits of the term and the rate of exchange at which crediting is to take place are questions which are by no means free from doubt, and which can only be satisfactorily solved by a decision of the Mixed Arbitral Tribunal.

The section gives the nationals of any Allied or Associated Power within whose territory no general liquidation of enemy property has been prescribed a right to restitution in specie



of their liquidated property, any right which they may have to compensation being thereby *pro tanto* reduced (see p. 261). It has been decided, however, as regards the Treaty of Versailles, that His Majesty's Government is precluded from supporting any such claims on behalf of British nationals.<sup>1</sup>

Great Britain is given, by Section IV and its Annex, the right to retain and liquidate the property rights and interests of nationals of the former enemy States within her territories, colonies, dominions, and protectorates, and to charge the same with the payments due from such States under this section or with the debts due by their nationals. The property of each of the former enemy States in British territory is chargeable with the liabilities of the others under Section IV in so far as the same are not otherwise satisfied (see Clause 4 of the Annex on p. 265). The Governments of the former enemy States undertake to compensate their nationals for the damage resulting from such action (see p. 262).

It should be observed that in the case of Germany and Bulgaria the term "national" does not for this purpose include any person who acquires *ipso facto* under the Treaties of Versailles and Neuilly the nationality of an Allied or Associated Power (e.g. an inhabitant of Alsace-Lorraine), and that in the case of Austria and Hungary it does not include any person who within six months of the coming into force of the respective Treaties of St. Germain and Trianon shows that he has *ipso facto* acquired, in accordance with the provisions of those Treaties, the nationality of one of the new States or of any State receiving territory which was formerly part of Austria-Hungary (see pp. 259 and 289).

In the case of property restored under this section, the amount of all taxes in the nature of capital levies with which it has been charged, by the German Government since the 11th November, 1918, by the Austrian<sup>2</sup> Government since 3rd November, 1918, or by the Bulgarian Government since 29th September, 1918, until restitution of the property must be refunded to the owners. In the case of British property which was not interfered with by the Enemy Governments during the war, and which therefore does not fall within the scope of the section, the amount of all such taxes paid for the period between 11th November, 1918, and 10th April, 1920, in the case of Germany, and for the period between 3rd November, 1918, and 16th October, 1920,

<sup>1</sup> See Hansard, vol. cxxxix, No. 15, Col. 62-63, 7th March, 1921.

<sup>2</sup> Or Hungarian.

in the case of Austria, and for the period between the 29th September, 1918, and the 9th November, 1920, in the case of Bulgaria have to be similarly refunded<sup>1</sup> (see pp. 263, 285, 289).

The former enemy States are required to deliver *inter alia* to His Majesty's Government within six months of the coming into force of the respective Treaties all British securities held by their nationals (see p. 266). They are also bound to hand over all accounts and documents relating to British property which has been administered or liquidated under war legislation either within their own territory or territory occupied by them during the war (see p. 267).

On 31st December, 1920, an agreement was entered into between the British and German Governments for the purpose of facilitating the carrying out of the provisions of this section. Though not yet actually ratified, it has been published, and the English text will be found in Appendix XIV on p. 432.

### CONTRACTS, PRESCRIPTIONS, AND JUDGMENTS

Under Section V (see p. 268) contracts concluded either before or during the war between British nationals and "enemies," which term here includes persons and firms with whom the subjects of Great Britain were during the war prohibited from trading (i.e. not only persons and firms in enemy territory, but also persons and firms upon the Statutory List), are to be regarded as having been dissolved from the time at which the enemy status attached or the prohibition came into force, except as regards pecuniary obligations which had already arisen before that date as a result of any act done or money paid thereunder.

The following classes of contract are, however, specifically preserved (see Clause 2 of Annex on p. 271).

1. Contracts the execution of which is required by His Majesty's Government in the public interest within six months from the coming into force of the respective Treaties (see Notice in Appendix XII).

2. Contracts relating to the transfer of realty or personalty in cases where the property had passed or the object had been delivered before the parties became enemies.

3. Leases and agreements for leases of land and houses.

4. Contracts of mortgage pledge or lien.

<sup>1</sup> The period of immunity from capital levies expires in each case at the end of three months from the date of the coming into force of the Treaty in question. The Treaty of Trianon not having yet been ratified, it is not possible to specify the date at which it will expire in the case of Hungary.

5. Mining concessions.

6. State and municipal concessions and contracts with States and Municipalities [including in the case of Bulgaria contracts and concessions concluded or accorded by the Turkish Government in the territories ceded by the Turkish Empire to Bulgaria before the coming into force of the Treaty of Neuilly (see p. 287)].

It is provided, moreover, that in cases where a person has either before or during the war become liable on a negotiable instrument upon the strength of an undertaking given to him by a person who subsequently became an enemy, the latter shall remain liable to indemnify the former in accordance with his undertaking (see Clause 7 of Annex on p. 272).

The section contains special provisions with regard to contracts of insurance and re-insurance (see Annex on p. 272), which briefly stated are as follows:—

Fire insurance contracts and all other insurance contracts except contracts of life insurance or marine insurance are to be preserved for three months after the coming into force of the Treaty, and thereafter to be dissolved as soon as the next ensuing premium becomes payable. (See in Treaties of Versailles and Neuilly Clauses 9 and 19 of the Annex to Section V, and in Treaties of St. Germain and Trianon Clauses 9 and 18 of the Annex to Section V.)

Life insurance contracts are to be preserved, and any sums which became due thereunder during the war are to be recoverable with 5 per cent. interest. If they have lapsed through non-payment of premiums or become void through breach of their conditions, the assured is entitled within a year from the coming into force of the Treaty to claim the surrender value from the insurer. If they have lapsed owing to the fact that the payment of premiums has been prevented by measures of war, the assured is further entitled, within three months from the coming into force of the Treaty, to restore the contract on payment of the overdue premiums with interest at 5 per cent.

Under Section V of the Treaty of Versailles Great Britain is entitled, within three months of the coming into force of the Treaty, to cancel all life insurance contracts between its nationals and German insurance companies (including treaties of re-insurance in respect of life risks with enemy re-insurers), in which event the companies are bound to hand over the assets attributable to the cancelled policies (see Clauses 12 and 22 of Annex on pp. 274, 276). In the Treaties of St. Germain, Neuilly, and Trianon, Section V contains no such provision.



The British Government, moreover, has not availed itself of its powers under this clause in the case of Germany.

Contracts of marine insurance are dissolved as from the time at which the parties became enemies unless before that date the risk had already attached (see p. 274).

Treaties of re-insurance are dissolved except as regards life and marine risks which had attached before the war. Re-insurances of life risks effected otherwise than under a general treaty remain in force (see p. 274).

The section also secures for British nationals the revival of their rights in the former enemy States which have lapsed during the war through the failure to perform any act or comply with any formality within the appointed time. In the case of property which has for such reason been subjected to measures of execution either in the territory of the former enemy States or in invaded or occupied territory, it secures for the British owner restitution of his rights or compensation in lieu thereof (see pp. 268, 269).

In cases where judgment has been recovered against British nationals in enemy countries during the war owing to their inability to defend the action, they are given a right by this section to apply to the Mixed Arbitral Tribunals for *restitutio in integrum* or for compensation (see p. 270).

### MIXED ARBITRAL TRIBUNALS

Section VI (see p. 276) deals with the composition and procedure of the Mixed Arbitral Tribunals which in addition to the questions falling within their competence under the previous sections and under Section VII (post) are empowered to decide all questions relating to contracts concluded before the coming into force of the Treaties between British nationals and nationals of the former enemy States, except those which under British law are within the jurisdiction of the courts of this country.

The decisions of these Tribunals are to be recognized as final and conclusive by the Powers concerned, and they have the power to overrule the decisions of any German, Austrian, Hungarian, or Bulgarian Court on the ground that such decisions are inconsistent with the provisions of the preceding sections (see p. 278).

### INDUSTRIAL PROPERTY

Section VII (see p. 278) provides for the re-establishment and restitution of all rights in respect of industrial, literary,



or artistic property, except in so far as they have been transferred or cancelled by His Majesty's Government during the war. Sums paid to British or former enemy Authorities under war legislation affecting such rights are to be credited through the Clearing Offices.

A right is reserved to the British Government to impose, subject to reasonable indemnities or royalties, any restriction upon rights of industrial literary or artistic property acquired before, during, or after the war by the nationals of the former enemy States which it may consider necessary for national defence or in the public interest or in order to secure fair treatment of British rights and the due fulfilment of Treaty obligations by the former enemy States. In the case of rights of the kind acquired after the coming into force of the Treaties this power is not to be exercised except for the purposes of national defence or in the public interest. A right is also reserved to the British Government to treat as null and void any transfer or dealing which would defeat the objects of this provision.

The foregoing provisions do not apply to rights dealt with by the British Government in the liquidation of businesses and companies under the Trading with the Enemy Acts, or under Section IV.

Licences under pre-war agreements are cancelled as from the outbreak of war subject to the right of the pre-war licensee to demand a new licence from the proprietor within six months of the coming into force of the respective Treaties. It should be observed, however, that any sums in fact paid during the war under pre-war licences (e.g. to trustees for former enemy beneficiaries) have to be credited through the Clearing Offices (see p. 282).

The time limits for the performance of any act necessary for the purpose of obtaining, preserving, or opposing rights to industrial property are extended for one year after the coming into force of the respective Treaties, and rights which have lapsed through the non-performance of any such act are revived (see p. 280).

No proceedings may be instituted, and no claim made, by nationals of the contracting States for any action which, but for the war, would have been an infringement of the owner's rights (see p. 281).

## CHAPTER II

### A SUMMARY OF THE LEGISLATION UNDER THE TREATIES OF PEACE

THE main provisions affecting British property in the former enemy States and the property of former enemy nationals in Great Britain, contained in the economic clauses of the Treaties of Peace, are outlined in the foregoing chapter. A brief survey of the enactments which have been passed in connexion with the Treaties will indicate the manner in which those provisions have been carried into effect.

#### TERMINATION OF THE WAR AND TREATY OF PEACE ACTS

*Termination of the Present War (Definition) Act, 1918* (see p. 247).—Shortly after the signature of the Armistice, an Act was passed authorizing His Majesty in Council to declare what date should be treated as the date of the termination of the war.

On 9th February, 1920, an Order in Council was issued under this Act (see p. 248) which fixed the 10th January, 1920, as the date of the termination of the war with Germany. On 22nd July and 13th August, 1920, further Orders in Council were issued fixing the 16th July, 1920, and 9th August, 1920, as the dates of the termination of the war with Austria and Bulgaria respectively (see pp. 248, 249).

*Treaty of Peace Acts*.—On 31st July, 1919, the first Treaty of Peace Act was passed, authorizing His Majesty to make Orders in Council for the purpose of giving effect to the Treaty of Versailles. On 27th April, 1920, the Treaties of Peace (Austria and Bulgaria) Act was passed which gave His Majesty similar powers in respect of the Treaties of St. Germain and Neuilly (see pp. 250, 251).

*Treaty of Peace Orders in Council*.—The first Treaty of Peace Order issued for the purpose of giving effect to Sections III to VII inclusive of Part X of the Treaty of Versailles is dated the 18th August, 1919, but was not in fact published until the 24th October of that year. It provides for the establish-

ment of a Clearing Office in the United Kingdom under a Controller appointed by the Board of Trade, and imposes a charge upon German property, rights, and interests in His Majesty's dominions (as provided by Clause 4 of Section IV of Part X of the Treaty), which charge is to be administered by the Custodian (i.e. the Public Trustee), and is subject to the power of His Majesty to release the charged property in any particular case. The Order prohibits the payment or recovery of "enemy debts" otherwise than through the Clearing Office, and all communications between enemy creditors and enemy debtors except by leave of that Office.<sup>1</sup>

On 28th June, 1920, an Amendment Order was issued which provided :

1. That the claims of British nationals for the proceeds of the liquidation of their property in Germany, and for the "enemy debts" owing to them, should rank against the charge in priority to claims for compensation in respect of damage awarded by the Mixed Arbitral Tribunal.

2. That the Custodian should have the power on demand to obtain possession of any property subject to the charge and transferable by delivery, and, with the consent of the Board of Trade, to sell or otherwise deal with it.

<sup>1</sup> The Egypt (Treaty of Peace) Order in Council of 22nd January, 1920, imposed a charge upon all property, rights and interests in Egypt which belonged to German nationals at the date of the coming into force of the Treaty of Versailles, and were vested in or under the control of the British Authorities, but provided that the claims of or debts owing to British nationals resident or carrying on business in Egypt should rank against such charge in priority to the claims of or debts owing to other British nationals. In this order "British nationals resident or carrying on business in Egypt" are defined as "persons who are subject to the Egypt Order in Council, 1915, and who are so resident or carrying on business." The Egypt (Treaty of Peace Amendment) Order in Council of 25th March, 1920, extended the benefit of the charge to Egyptian nationals resident or carrying on business in Egypt "provided that during the war such Egyptian nationals were treated by the German Government as enemies, and that their property was subjected by the German Government to exceptional war measures." The Egypt [Treaty of Peace (Austria)] Order in Council of 13th October, 1920, and the Egypt [Treaty of Peace (Bulgaria)] Order of 14th February, 1921, imposed a similar charge upon Austrian and Bulgarian property, rights and interests in Egypt for the benefit of British nationals and of Egyptian nationals who, during the war, had been treated by the Austro-Hungarian and Bulgarian Governments as enemies with a similar priority in favour of local claimants and creditors.

The India (Treaty of Peace) Order of 28th June, 1920, established a local clearing office in India for the clearing of debts as between that country and Germany, and imposed a charge upon German property, rights, and interests in India, with priority for British creditors and claimants in that country. The India [Treaty of Peace (Austria)] Order of 7th February, 1921, established a local Clearing Office in India for the clearing of debts as between that country and Austria and created a charge upon Austrian property, rights, and interests in India in favour of British creditors and claimants in that country.

3. That the Custodian should exercise the powers of release reserved to His Majesty under the principal Order.

On 9th November, 1920, a further Amendment Order was issued, empowering the Custodian to charge fees and to collect any sum of money due to a German national and not constituting an "enemy debt."

The main purpose of these Amending Orders was to facilitate the realization of enemy property subject to the charge. The Orders are, for the purposes of convenient reference, printed in consolidated form on p. 292.

On 13th August, 1920, the Treaty of Peace (Austria) Order in Council was issued for the purpose of giving effect to Sections III to VII inclusive of Part X of the Treaty of St. Germain. It provides that a Clearing Office shall be established and placed in charge of an Administrator, and its provisions as regards the clearing of debts are substantially the same as those of the previous Order. It imposes a similar charge upon Austrian property, rights, and interests in His Majesty's dominions, and confers upon the Administrator practically the same powers with respect to the charge as those conferred upon the Custodian in the principal Order relating to Germany, but does not contain any provision giving priority to proceeds of liquidation and debts such as that introduced as regards Germany by the Treaty of Peace (Amendment) Order, 1920.

On the same date the Treaty of Peace (Bulgaria) Order was issued (see p. 313). The Clearing Section not having been adopted in the case of Bulgaria, this Order does not provide for a Clearing Office, but relates solely to the creation of a charge upon Bulgarian property, rights, and interests with regard to which its provisions are, generally speaking, similar to those contained in the previous Orders. The Order gives the Administrator of Bulgarian property the right to recover all debts which are due by British nationals to Bulgarian nationals, and are subject to the charge. British creditors may not avail themselves of the charge until they have exhausted all other remedies open to them against their debtors (see p. 318). Debts carry interest at 5 per cent., unless a different rate is provided for in the contract, and are payable in sterling at the rate of exchange prevailing prior to the outbreak of war between this country and Bulgaria (see Appendix IV).

On 27th May, 1921, two amending Orders were issued, viz. the Treaty of Peace (Austria) (No. 2) Amendment Order, 1921, and the Treaty of Peace (Bulgaria) (No. 2)



Amendment Order, 1921. The former of these two Orders gave the Administrator of Austrian Property the power to collect any sum of money due to an Austrian national and not constituting an "enemy debt." The provisions of both these amending Orders will be found incorporated in thick type in the principal Orders on pp. 302, 313.

*The Clearing Office.*—The Clearing Office provided for by the first Treaty of Peace Order was established on 12th January, two days after the Treaty of Versailles came into force, and thus furnished the model upon which the organization of other offices of the kind in Germany and elsewhere has been largely based. The Department for the Administration of Austrian Property, which is also concerned with the clearing of debts as between Great Britain and Austria and the Department for the Administration of Bulgarian Property, are housed in the same building and are under the same control as the Clearing Office established under the Treaty of Versailles. The term "Clearing Office" may therefore be regarded as a comprehensive term comprising the whole organization for the clearing of enemy debts and the administration of the charge upon Austrian and Bulgarian property.

The British Clearing Office, besides clearing debts for Great Britain and for the non-self-governing Colonies—where subsidiary local Offices have been set up—is the accounting channel as between the former enemy States and those self-governing Dominions which have adopted the Clearing System.<sup>1</sup>

The Office is assisted in its work by an Advisory Committee and by technical committees consisting of insurance experts, representatives of the Clearing Banks and Accepting Houses, and Members of the Liverpool Cotton Association.

The functions of the Office fall under two main heads:

1. The Clearing of "enemy debts" under Section III, and
2. The balancing of credits in respect of proceeds of liquidation and "cash assets" under Section IV.

In addition to these duties, it undertakes the presentation of claims for compensation under Section IV.

The Clearing Office has, under the Treaty of Peace Orders, the power to enforce the payment of "enemy debts," together with the interest payable thereon, and to recover

<sup>1</sup> A list of the Dominions, Colonies, and Protectorates for which the Clearing System has been adopted will be found in Appendix III.

fines from persons putting forward or contesting claims without justification. Any person failing to give notice of a debt to the Office or to furnish the information necessary for proving it is liable to a fine of £10.

*Licences.*—On 24th June, 1920, the Controller of the Clearing Office issued a General Licence (see p. 302) authorizing British creditors and debtors to communicate in writing with their German debtors and creditors, for the purpose of ascertaining the particulars of indebtedness, provided that no proposal or suggestion was made with regard to payment or settlement.

On 15th October, 1920, the Administrator of Austrian Property issued a General Licence authorizing similar communications between British debtors and Austrian creditors, and authorizing also communications between British creditors and Austrian debtors with regard to the adjustment of accounts or the settlement of "enemy debts," provided the draft of any agreement embodying the terms of the proposed settlement were submitted to him for his approval before the agreement was entered into (see p. 312). This licence gave effect to the Arrangement referred to on p. 229.<sup>1</sup>

*The Charge.*—Property of all classes and every kind of right or interest in His Majesty's Dominions which belonged upon the 10th January, 1920, to a German, or upon the 16th July, 1920, to an Austrian, or upon the 9th August, 1920, to a Bulgarian, is charged in the manner provided in Clause 4 of the Annex to Section IV of the Treaties of Versailles, St. Germain, and Neuilly, a power of release being reserved to His Majesty's Government. Persons in possession of such property are prohibited, on pain of fine or imprisonment, from dealing with it in any manner whatsoever without the consent of the Custodian or Administrator, and are bound to notify it if they have not already done so. Any omission to comply with this latter provision renders the offender liable to a fine of £100. The Treaty of Peace Orders give the Custodian or Administrator the right to be entered in the register of any company as owner of any charged securities, and authorize him, subject to the consent of the Board of Trade, to dispose of such securities (see pp. 298, 306, 315). The Board of Trade are authorized under those Orders to vest in the Custodian any property, right, or interest subject to the charge. Any person who

<sup>1</sup> A licence for the same purpose had already been issued by the Austrian Government on 17th September, 1920.

is called upon to pay any money or to transfer or otherwise deal with any property, right, or interest, and has reason to suspect that it is subject to the charge, is required to report the matter to the Custodian or Administrator, and to comply with any directions which he may give.

A considerable quantity of the property in question is already vested in the Custodian by Orders of the Court or of the Board of Trade, made under the Trading with the Enemy Acts, and the Treaty of Peace Orders provide for the collection and realization of the much larger quantity which is at present only recorded with him under the provisions of the Trading with the Enemy Acts of 1914 and 1915. The charge is not confined to money which had already accrued at the time when the Treaties came into force, but extends to any right to future payments which was at that time vested in a German, Austrian, or Bulgarian national. In the case of an annuity, for instance, the charge extends to all future payments so long as the annuity lasts. In other words, the Custodian or Administrator steps into the shoes of the annuitant.

The whole matter hinges upon the ownership of the property, right, or interest at the time when the Treaties came into force, and the parties immediately affected by the charge are not, therefore, necessarily in all cases nationals of the former enemy States. In the case of a British national, for instance, succeeding, under the will of an Austrian testator who died after the coming into force of the Treaty of St. Germain, to an estate in the United Kingdom, the estate would remain subject to the charge, unless the circumstances were considered such as to justify release.

It should be observed that the charge covers all money due to former enemy nationals by persons resident or carrying on business in His Majesty's Dominions irrespective of their nationality, in so far as such moneys do not constitute "enemy debts" which fall within Section III of the Treaties of Versailles and of St. Germain, and which, therefore, have to be settled under the Clearing System.

*Mixed Arbitral Tribunals.*—The Anglo-German Mixed Arbitral Tribunal was established on 16th November, 1920, and commenced its sittings on 24th January, 1921. The Tribunal sits in London, and will continue to do so except in cases where, upon the application of the parties, it decides for special reasons to sit elsewhere. Its rules of procedure will be found in Appendix XV.

The Anglo-Austrian Mixed Arbitral Tribunal has been

established, but has not yet commenced its sittings, and its rules have not yet been published. This Tribunal and likewise the Anglo-Bulgarian and Anglo-Hungarian Tribunals, when established, will, it is understood, as a general rule, sit in London.

### INDUSTRIAL, LITERARY, AND ARTISTIC PROPERTY

A word should be said in conclusion with regard to the legislative steps which have been taken to give effect to the provisions of Section VII relating to industrial, literary, and artistic property.

*Patents.*—On the 19th of July, 1920, the Board of Trade issued an Order under Section 5 (i) of the Trading with the Enemy Amendment Act of 1914, prescribing the action to be taken in respect of “Vested Patents” belonging to and “Vested Applications” filed by German nationals. On the 9th November, 1920, a similar Order was issued in respect of the vested patents and applications of Austrian and Bulgarian nationals. These two Orders are printed in consolidated form in Appendix XI.

Under these Orders the Custodian was required to divest himself of all such patents and applications in favour of the persons who would but for the vesting orders have been entitled thereto. A patent or application so restored may not be assigned nor may any new licence be granted under a restored patent without the consent of the Board of Trade.

All licences to work patents which were given during the war are by the terms of these Orders preserved, and where any powers have been conferred under any such licence on the Custodian, the Orders transfer them to the Board of Trade. The Board of Trade may continue to grant compulsory licences under any “restored patent” upon such terms as they think fit in cases where the patentee refuses to grant a licence upon reasonable terms to an applicant.

In cases where, with the consent of the Board, a British national obtains, by agreement with the patentee, a licence to work a “restored patent,” or an assignment of the patent, 75 per cent. of the royalties or purchase money have to be paid to the Clearing Office. In the case of a compulsory licence the whole of the royalties have to be so paid.

The Orders apply to every patent owned by a German,



Austrian, or Bulgarian national, and bearing a date prior to the coming into force of the respective Treaties except :

- (a) patents and applications which have been dealt with in the liquidation of a business or company wound up under the Trading with the Enemy Acts ;
- (b) patents and applications of which the Custodian has divested himself in favour of persons who have, under the provisions of the Treaties of Peace, ceased to be German, Austrian, or Bulgarian nationals.

It should be observed as regards (b) that in this case the restored patents still remain subject to any licence granted under war legislation.

The Board of Trade may, in the public interest or for purposes of national defence or in order to secure the due fulfilment of Treaty obligations, expropriate any "restored patent" subject to the payment of a proper consideration to the patentee.

On 12th March, 1921, in order to make it clear that all patents granted on applications prior to the coming into force of the respective Treaties came within the terms of these divesting Orders, whether vested in the Custodian or not—a point upon which doubt had arisen—two amending Orders were issued.

On 26th July, 1920, the Custodian divested himself by deed poll of all German-owned patents and interests therein. On 19th November, 1920, he divested himself by a similar means of all Austrian and Bulgarian patents and interests therein.

*Copyrights.*—On 9th November, 1920, an Order was issued by the Board of Trade with regard to vested German and Austrian copyrights containing similar powers and restrictions to those embodied in the Orders relating to patents. On 19th November, 1920, the Custodian divested himself of all German and Austrian copyrights. Bulgaria not being a party to the Convention of Berne, the question of copyrights does not arise in connexion with that country.

Section VII excludes the power to restrict Trade Marks, and no legislative action with regard thereto has been necessary.

## CHAPTER III

### TREATY OF PEACE ACTS AND TERMINATION OF THE WAR (DEFINITION) ACT

#### TERMINATION OF THE PRESENT WAR (DEFINITION) ACT, 1918

[8 & 9 GEO. 5, CH. 59]

*An Act to make provision for determining the date of the termination of the present war, and for purposes connected therewith*

[21st November, 1918.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

#### *Power to determine date of termination of the present war*

1.—(1) His Majesty in Council may declare what date is to be treated as the date of the termination of the present war, and the present war shall be treated as having continued to and as having ended on that date for the purposes of any provision in any Act of Parliament, Order in Council, or Proclamation, and, except where the context otherwise requires, of any provision in any contract, deed, or other instrument referring, expressly or impliedly, and in whatever form of words, to the present war or the present hostilities :

Provided that in the case of any such Act conferring powers on any Government Department, or any officer of any Government Department, exercisable during the continuance of the present war, if it appears to His Majesty that it is expedient that the powers shall cease before the date so fixed as aforesaid, His Majesty in Council may fix some earlier date for the termination of those powers.

(2) The date so declared shall be as nearly as may be the date of the exchange or deposit of ratifications of the treaty or treaties of peace :

Provided that, notwithstanding anything in this provision, the date declared as aforesaid shall be conclusive for all purposes of this Act.

(3) His Majesty in Council may also similarly declare what

date is to be treated as the date of the termination of war between His Majesty and any particular State.

*Short Title*

2. This Act may be cited as the Termination of the Present War (Definition) Act, 1918.

ORDER IN COUNCIL UNDER THE TERMINATION OF THE PRESENT WAR (DEFINITION) ACT, 1918 (8 & 9 GEO. 5, CH. 59) DETERMINING DATE OF TERMINATION OF THE WAR WITH GERMANY

At the Court at Buckingham Palace, the 9th day of February, 1920.

PRESENT

The King's Most Excellent Majesty in Council.

Whereas by the Termination of the Present War (Definition) Act, 1918, it is provided that His Majesty in Council may declare what date is to be treated as the date of the termination of the present war, and that the date so declared shall be as nearly as may be the date of the exchange or deposit of ratifications of the treaty or treaties of peace, and that His Majesty may also similarly declare what date is to be treated as the date of the termination of war between His Majesty and any particular State :

And whereas at Versailles on the twenty-eighth day of June, nineteen hundred and nineteen, a treaty of peace between the Allied and Associated Powers and Germany was signed on behalf of His Majesty :

And whereas by the said treaty of peace it was provided that a *procès-verbal* of the deposit of ratifications should be drawn up as soon as the treaty had been ratified by Germany on the one hand and by three of the principal Allied or Associated Powers on the other, and that from the date of the said *procès-verbal* the treaty would come into force between the high contracting parties who had ratified it :

And whereas the said treaty having been ratified by Germany and three of the principal Allied and Associated Powers, including His Majesty, such a *procès-verbal* as aforesaid has been drawn up dated the tenth day of January, nineteen hundred and twenty :

And whereas treaties of peace with other belligerents not having yet been ratified it is desirable to declare the date which is to be treated as the date of the termination of war with Germany before declaring the date which is to be treated as the date of the termination of the present war :

Now, therefore, His Majesty, by and with the advice of His Privy Council, is pleased to order, and it is hereby ordered, that the said tenth day of January shall be treated as the date of the termination of war between His Majesty and Germany.

*Almeric FitzRoy.*

ORDER IN COUNCIL UNDER THE TERMINATION OF THE PRESENT WAR (DEFINITION) ACT, 1918 (8 & 9 GEO. 5, CH. 59) DETERMINING DATE OF TERMINATION OF THE WAR WITH AUSTRIA

At the Court at Buckingham Palace, the 22nd day of July, 1920.

PRESENT

The King's Most Excellent Majesty in Council.

Whereas by the Termination of the Present War (Definition) Act, 1918, it is provided that His Majesty in Council may declare what date is to be treated as the date of the termination of the present war, and that the date so declared shall be as nearly as may be the date of the exchange or deposit of ratifications of the treaty or treaties of peace, and that His Majesty may also similarly

declare what date is to be treated as the date of the termination of war between His Majesty and any particular State :

And whereas at Saint Germain-en-Laye on the tenth day of September, nineteen hundred and nineteen, a treaty of peace between the Allied and Associated Powers and Austria was signed on behalf of His Majesty :

And whereas by the said treaty of peace it was provided that a procès-verbal of the deposit of ratifications should be drawn up as soon as the treaty had been ratified by Austria on the one hand and by three of the principal Allied or Associated Powers on the other, and that from the date of the said procès-verbal the treaty would come into force between the high contracting parties who had ratified it :

And whereas the said treaty having been ratified by Austria and three of the principal Allied and Associated Powers, including His Majesty, such a procès-verbal as aforesaid has been drawn up dated the sixteenth day of July, nineteen hundred and twenty :

And whereas treaties of peace with other belligerents not having yet been ratified it is desirable to declare the date which is to be treated as the date of the termination of war with Austria before declaring the date which is to be treated as the date of the termination of the present war :

Now, therefore, His Majesty, by and with the advice of His Privy Council, is pleased to order, and it is hereby ordered, that the said sixteenth day of July shall be treated as the date of the termination of war between His Majesty and Austria.

*Almeric FitzRoy.*

ORDER IN COUNCIL UNDER THE TERMINATION OF THE PRESENT  
WAR (DEFINITION) ACT, 1918 (8 & 9 GEO. 5, CH. 59) DETERMIN-  
ING DATE OF TERMINATION OF THE WAR WITH BULGARIA

At the Court at Buckingham Palace, the 13th day of August, 1920.

PRESENT

The King's Most Excellent Majesty in Council.

Whereas by the Termination of the Present War (Definition) Act, 1918, it is provided that His Majesty in Council may declare what date is to be treated as the date of the termination of the present war, and that the date so declared shall be as nearly as may be the date of the exchange or deposit of ratifications of the treaty or treaties of peace, and that His Majesty may also similarly declare what date is to be treated as the date of the termination of war between His Majesty and any particular State :

And whereas at Neuilly-sur-Seine on the twenty-seventh day of November, nineteen hundred and nineteen, a treaty of peace between the Allied and Associated Powers and Bulgaria was signed on behalf of His Majesty :

And whereas by the said treaty of peace it was provided that a procès-verbal of the deposit of ratifications should be drawn up as soon as the treaty had been ratified by Bulgaria on the one hand and by three of the principal Allied or Associated Powers on the other, and that from the date of the said procès-verbal the treaty would come into force between the high contracting parties who had ratified it :

And whereas the said treaty having been ratified by Bulgaria and three of the principal Allied and Associated Powers, including His Majesty, such a procès-verbal as aforesaid has been drawn up dated the ninth day of August, nineteen hundred and twenty :

And whereas treaties of peace with other belligerents not having yet been ratified it is desirable to declare the date which is to be treated as the date of the termination of war with Bulgaria before declaring the date which is to be treated as the date of the termination of the present war :

Now, therefore, His Majesty, by and with the advice of His Privy Council, is pleased to order, and it is hereby ordered, that the said ninth day of August shall be treated as the date of the termination of war between His Majesty and Bulgaria.

*Almeric FitzRoy.*



## TREATY OF PEACE ACT, 1919

[9 &amp; 10 GEO. 5, CH. 33]

*An Act for carrying into effect the Treaty of Peace between His Majesty and certain other Powers*

[31st July, 1919.]

Whereas, at Versailles, on the twenty-eighth day of June, nineteen hundred and nineteen, a Treaty of Peace (including a protocol annexed thereto), a copy of which has been laid before each House of Parliament, was signed on behalf of His Majesty, and it is expedient that His Majesty should have power to do all such things as may be proper and expedient for giving effect to the said Treaty:

Be it therefore enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

*Power of His Majesty to give effect to Peace Treaty*

1.—(1) His Majesty may make such appointments, establish such offices, make such Orders in Council, and do such things as appear to him to be necessary for carrying out the said Treaty, and for giving effect to any of the provisions of the said Treaty.

(2) Any Order in Council made under this Act may provide for the imposition, by summary process or otherwise, of penalties in respect of breaches of the provisions thereof, and shall be laid before Parliament as soon as may be after it is made, and shall have effect as if enacted in this Act, but may be varied or revoked by a subsequent Order in Council and shall not be deemed to be a statutory rule within the meaning of section one of the Rules Publication Act, 1893:

Provided that, if an Address is presented to His Majesty by either House of Parliament within the next twenty-one days on which that House has sat after any Order in Council made under this Act has been laid before it praying that the Order or any part thereof may be annulled, His Majesty in Council may annul the Order or such part thereof, and it shall thenceforth be void, but without prejudice to the validity of anything previously done thereunder.

(3) Any expenses incurred in carrying out the said Treaty shall be defrayed out of moneys provided by Parliament.

*Short Title*

2. This Act may be cited as the Treaty of Peace Act, 1919.

TREATIES OF PEACE (AUSTRIA AND BULGARIA) ACT,  
1920

[10 GEO. 5, CH. 6]

*An Act to carry into effect Treaties of Peace between His Majesty  
and certain other Powers*

[27th April, 1920.]

Whereas, at St. Germain-en-Laye, on the tenth day of September, nineteen hundred and nineteen, a Treaty of Peace with Austria, including protocols and declarations annexed thereto, was signed on behalf of His Majesty :

And whereas at Neuilly-sur-Seine, on the twenty-seventh day of November, nineteen hundred and nineteen, a Treaty of Peace with Bulgaria, including a protocol annexed thereto, was signed on behalf of His Majesty :

And whereas copies of the said Treaties have been laid before each House of Parliament, and it is expedient that His Majesty should have power to do all such things as may be proper and expedient for giving effect to the said Treaties :

Be it therefore enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

*Power of His Majesty to give effect to Peace Treaties*

1.—(1) His Majesty may make such appointments, establish such offices, make such Orders in Council, and do such things as appear to him to be necessary for carrying out the said Treaties, and for giving effect to any of the provisions of the said Treaties.

(2) Any Order in Council made under this Act may provide for the imposition, by summary process or otherwise, of penalties in respect of breaches of the provisions thereof, and shall be laid before Parliament as soon as may be after it is made, and shall have effect as if enacted in this Act, but may be varied or revoked by a subsequent Order in Council, and shall not be deemed to be a statutory rule within the meaning of section one of the Rules Publication Act, 1893 :

Provided that, if an Address is presented to His Majesty by either House of Parliament within the next twenty-one days on which that House has sat after any Order in Council made under this Act has been laid before it praying that the Order or any part thereof may be annulled, His Majesty in Council may annul the Order or such part thereof, and it shall thenceforth be void, but without prejudice to the validity of anything previously done thereunder.

(3) Any expenses incurred in carrying out the said Treaties shall be defrayed out of moneys provided by Parliament.

*Short Title*

2. This Act may be cited as the Treaties of Peace (Austria and Bulgaria) Act, 1920.

## CHAPTER IV

### THE ECONOMIC SECTIONS OF THE TREATIES OF VERSAILLES AND SAINT GERMAIN

NOTE.—Words contained in the Treaty of Versailles and not in the Treaty of St. Germain are underlined; and words contained in the Treaty of St. Germain and not in the Treaty of Versailles are printed in italics. To read the Treaty of Versailles omit all words in italics; to read the Treaty of St. Germain omit all words underlined and read all words in italics.

#### SECTIONS III TO VII OF PART X OF THE TREATIES<sup>1</sup>

#### SECTION III—DEBTS

##### ARTICLE 296 [248]

THERE shall be settled through the intervention of clearing offices to be established by each of the High Contracting Parties within three months of the notification referred to in paragraph (*e*) hereafter the following classes of pecuniary obligations:

1. Debts payable before the war and due by a national of one of the Contracting Powers, residing within its territory, to a national of an Opposing Power, residing within its territory;

2. Debts which became payable during the war to nationals of one Contracting Power residing within its territory and arose out of transactions or contracts with the nationals of an Opposing Power, resident within its territory, of which the total or partial execution was suspended on account of the declaration of war [*existence of a state of war*];

3. Interest which has accrued due before and during the war to a national of one of the Contracting Powers in respect of securities issued [*or taken over*] by an Opposing Power, provided that the payment of interest on such securities to the nationals of that Power or to neutrals has not been suspended during the war;

4. Capital sums which have become payable before and during the war to nationals of one of the Contracting Powers in respect of securities issued by one of the Opposing Powers, provided that

<sup>1</sup> These are the sections contained in the Schedules to the Treaty of Peace Orders (Germany and Austria) (see pp. 292, 302).

the payment of such capital sums to nationals of that Power or to neutrals has not been suspended during the war.

*[In the case of interest or capital sums payable in respect of securities issued or taken over by the former Austro-Hungarian Government, the amount to be credited and paid by Austria will be the interest or capital in respect only of the debt for which Austria is liable in accordance with Part IX (Financial Clauses) of the present Treaty, and the principles laid down by the Reparation Commission.]*

The proceeds of liquidation of enemy property, rights and interests mentioned in Section IV and in the Annex thereto will be accounted for through the clearing offices, in the currency and at the rate of exchange hereinafter provided in paragraph (d), and disposed of by them under the conditions provided by the said Section and Annex.

The settlements provided for in this Article shall be effected according to the following principles and in accordance with the Annex to this Section :—

- (a) Each of the High Contracting Parties shall prohibit, as from the coming into force of the present Treaty, both the payment and the acceptance of payment of such debts, and also all communications between the interested parties with regard to the settlement of the said debts otherwise than through the clearing offices ;
- (b) Each of the High Contracting Parties shall be respectively responsible for the payment of such debts due by its nationals, except in the cases where before the war the debtor was in a state of bankruptcy or failure, or had given formal indication of insolvency, or where the debt was due by a company whose business has been liquidated under emergency legislation during the war. Nevertheless, debts due by the inhabitants of territory invaded or occupied by the enemy before the Armistice will not be guaranteed by the States of which those territories form part ;
- (c) The sums due to the nationals of one of the High Contracting Parties by the nationals of an Opposing State will be debited to the clearing office of the country of the debtor, and paid to the creditor by the clearing office of the country of the creditor ;
- (d) Debts shall be paid or credited in the currency of such one of the Allied and Associated Powers, their colonies or protectorates, or the British Dominions or India, as may be concerned. If the debts are payable in some other currency they shall be paid or credited in the currency of the country concerned, whether an Allied or Associated Power, Colony, Protectorate, British Dominion or India, at the pre-war rate of exchange.

For the purpose of this provision the pre-war rate of



exchange shall be defined as the average cable transfer rate prevailing in the Allied or Associated country concerned during the month immediately preceding the outbreak of war between the said country concerned and Germany [*Austria-Hungary*].

If a contract provides for a fixed rate of exchange governing the conversion of the currency in which the debt is stated into the currency of the Allied or Associated country concerned, then the above provisions concerning the rate of exchange shall not apply.

In the case of [*the*] new States [*of Poland and the Czecho-Slovak State*] the currency in which and the rate of exchange at which debts shall be paid or credited shall be determined by the Reparation Commission provided for in Part VIII (Reparation) [*unless they shall have been previously settled by agreement between the States interested*].

- (e) The provisions of this Article and of the Annex hereto shall not apply as between Germany [*Austria*] on the one hand and any one of the Allied and Associated Powers, their colonies or protectorates, or any one of the British Dominions or India on the other hand, unless within a period of one month from the deposit of the ratifications of the present Treaty by the Power in question, or of the ratification on behalf of such Dominion or of India, notice to that effect is given to Germany [*Austria*] by the Government of such Allied or Associated Power or of such Dominion or of India as the case may be;
- (f) The Allied and Associated Powers who [*which*] have adopted this Article and the Annex hereto may agree between themselves to apply them to their respective nationals established in their territory so far as regards matters between their nationals and German [*Austrian*] nationals. In this case the payments made by application of this provision will be subject to arrangements between the Allied and Associated clearing offices concerned.

## ANNEX

1. Each of the High Contracting Parties will, within three months from the notification provided for in Article 296 [248], paragraph (e), establish a clearing office for the collection and payment of enemy debts.

Local clearing offices may be established for any particular portion of the territories of the High Contracting Parties. Such local clearing offices may perform all the functions of a central clearing office in their respective districts, except that all transac-

tions with the clearing office in the Opposing State must be effected through the central clearing office.

2. In this Annex the pecuniary obligations referred to in the first paragraph of Article 296 [248] are described as "enemy debts," the persons from whom the same are due as "enemy debtors," the persons to whom they are due as "enemy creditors," the clearing office in the country of the creditor is called the "Creditor Clearing Office," and the clearing office in the country of the debtor is called the "Debtor Clearing Office."

3. The High Contracting Parties will subject contraventions of paragraph (a) of Article 296 [248] to the same penalties as are at present provided by their legislation for trading with the enemy. They will similarly prohibit within their territory all legal process relating to payment of enemy debts, except in accordance with the provisions of this Annex.

4. The Government guarantee specified in paragraph (b) of Article 296 [248] shall take effect whenever, for any reason, a debt shall not be recoverable, except in a case where at the date of the outbreak of war the debt was barred by the laws of prescription in force in the country of the debtor, or where the debtor was at that time in a state of bankruptcy or failure or had given formal indication of insolvency, or where the debt was due by a company whose business has been liquidated under emergency legislation during the war. In such case the procedure specified by this Annex shall apply to payment of the dividends.

The terms "bankruptcy" and "failure" refer to the application of legislation providing for such juridical conditions. The expression "formal indication of insolvency" bears the same meaning as it has in English law.

5. Creditors shall give notice to the Creditor Clearing Office within six months of its establishment of debts due to them, and shall furnish the Clearing Office with any documents and information required of them.

The High Contracting Parties will take all suitable measures to trace and punish collusion between enemy creditors and debtors. The clearing offices will communicate to one another any evidence and information which might help the discovery and punishment of such collusion.

The High Contracting Parties will facilitate as much as possible postal and telegraphic communication at the expense of the parties concerned and through the intervention of the clearing offices between debtors and creditors desirous of coming to an agreement as to the amount of their debt.

The Creditor Clearing Office will notify the Debtor Clearing Office of all debts declared to it. The Debtor Clearing Office will, in due course, inform the Creditor Clearing Office which debts are admitted and which debts are contested. In the latter case, the Debtor Clearing Office will give the grounds for the non-admission of debt.

6. When a debt has been admitted, in whole or in part, the Debtor Clearing Office will at once credit the Creditor Clearing Office with the amount admitted, and at the same time notify it of such credit.

7. The debt shall be deemed to be admitted in full and shall be credited forthwith to the Creditor Clearing Office unless within three months from the receipt of the notification or such longer time as may be agreed to by the Creditor Clearing Office notice has been given by the Debtor Clearing Office that it is not admitted.

8. When the whole or part of a debt is not admitted the two clearing offices will examine into the matter jointly and will endeavour to bring the parties to an agreement.

9. The Creditor Clearing Office will pay to the individual creditor the sums credited to it out of the funds placed at its disposal by the Government of its country and in accordance with the conditions fixed by the said Government, retaining any sums considered necessary to cover risks, expenses or commissions.

10. Any person having claimed payment of an enemy debt which is not admitted in whole or in part shall pay to the clearing office, by way of fine, interest at 5 per cent. on the part not admitted. Any person having unduly refused to admit the whole or part of a debt claimed from him shall pay, by way of fine, interest at 5 per cent. on the amount with regard to which his refusal shall be disallowed.

Such interest shall run from the date of expiration of the period provided for in paragraph 7 until the date on which the claim shall have been disallowed or the debt paid.

Each clearing office shall, in so far as it is concerned, take steps to collect the fines above provided for, and will be responsible if such fines cannot be collected.

The fines will be credited to the other clearing office, which shall retain them as a contribution towards the cost of carrying out the present provisions.

11. The balance between the clearing offices shall be struck monthly and the credit balance paid in cash by the debtor State within a week.

Nevertheless, any credit balances which may be due by one or more of the Allied and Associated Powers shall be retained until complete payment shall have been effected of the sums due to the Allied or Associated Powers or their nationals on account of the war.

12. To facilitate discussion between the clearing offices each of them shall have a representative at the place where the other is established.

13. Except for special reasons all discussions in regard to claims will, so far as possible, take place at the Debtor Clearing Office.

14. In conformity with Article 296 [248], paragraph (b), the High Contracting Parties are responsible for the payment of the enemy debts owing by their nationals.



The Debtor Clearing Office will therefore credit the Creditor Clearing Office with all debts admitted, even in case of inability to collect them from the individual debtor. The Governments concerned will, nevertheless, invest their respective clearing offices with all necessary powers for the recovery of debts which have been admitted.

As an exception, the admitted debts owing by persons having suffered injury from acts of war shall only be credited to the Creditor Clearing Office when the compensation due to the person concerned in respect of such injury shall have been paid.

15. Each Government will defray the expenses of the clearing office set up in its territory, including the salaries of the staff.

16. Where the two clearing offices are unable to agree whether a debt claimed is due, or in case of a difference between an enemy debtor and an enemy creditor or between the clearing offices, the dispute shall either be referred to arbitration, if the parties so agree under conditions fixed by agreement between them, or referred to the Mixed Arbitral Tribunal provided for in Section VI hereafter.

At the request of the Creditor Clearing Office the dispute may, however, be submitted to the jurisdiction of the Courts of the place of domicile of the debtor.

17. Recovery of sums found by the Mixed Arbitral Tribunal, the Court or the Arbitration Tribunal to be due shall be effected through the clearing offices as if these sums were debts admitted by the Debtor Clearing Office.

18. Each of the Governments concerned shall appoint an agent who will be responsible for the presentation to the Mixed Arbitral Tribunal of the cases conducted on behalf of its clearing office. This agent will exercise a general control over the representatives or counsel employed by its nationals.

Decisions will be arrived at on documentary evidence, but it will be open to the Tribunal to hear the parties in person, or according to their preference by their representatives approved by the two Governments, or by the agent referred to above, who shall be competent to intervene along with the party or to reopen and maintain a claim abandoned by the same.

19. The clearing offices concerned will lay before the Mixed Arbitral Tribunal all the information and documents in their possession, so as to enable the Tribunal to decide rapidly on the cases which are brought before it.

20. Where one of the parties concerned appeals against the joint decision of the two clearing offices he shall make a deposit against the costs, which deposit shall only be refunded when the first judgment is modified in favour of the appellant and in proportion to the success he may attain, his opponent in case of such a refund being required to pay an equivalent proportion of the costs and expenses. Security accepted by the Tribunal may be substituted for a deposit.



A fee of 5 per cent. of the amount in dispute shall be charged in respect of all cases brought before the Tribunal. This fee shall, unless the Tribunal directs otherwise, be borne by the unsuccessful party. Such fee shall be added to the deposit referred to. It is also independent of the security.

The Tribunal may award to one of the parties a sum in respect of the expenses of the proceedings.

Any sum payable under this paragraph shall be credited to the clearing office of the successful party as a separate item.

21. With a view to the rapid settlement of claims, due regard shall be paid in the appointment of all persons connected with the clearing offices or with the Mixed Arbitral Tribunal to their knowledge of the language of the other country concerned. Each of the clearing offices will be at liberty to correspond with the other, and to forward documents in its own language.

22. Subject to any special agreement to the contrary between the Governments concerned, debts shall carry interest in accordance with the following provisions :—

Interest shall not be payable on sums of money due by way of dividend, interest or other periodical payments which themselves represent interest on capital.

The rate of interest shall be 5 per cent. per annum except in cases where, by contract, law or custom, the creditor is entitled to payment of interest at a different rate. In such cases the rate to which he is entitled shall prevail.

Interest shall run from the date of commencement of hostilities (or, if the sum of money to be recovered fell due during the war, from the date at which it fell due) until the sum is credited to the clearing office of the creditor.

Sums due by way of interest shall be treated as debts admitted by the clearing offices and shall be credited to the Creditor Clearing Office in the same way as such debts.

23. Where by decision of the clearing offices or the Mixed Arbitral Tribunal a claim is held not to fall within Article 296 [248], the creditor shall be at liberty to prosecute the claim before the Courts or to take such other proceedings as may be open to him.

The presentation of a claim to the clearing office suspends the operation of any period of prescription.

24. The High Contracting Parties agree to regard the decisions of the Mixed Arbitral Tribunal as final and conclusive, and to render them binding upon their nationals.

25. In any case where a Creditor Clearing Office declines to notify a claim to the Debtor Clearing Office, or to take any step provided for in this Annex, intended to make effective in whole or in part a request of which it has received due notice, the enemy creditor shall be entitled to receive from the clearing office a certificate setting out the amount of the claim, and shall then be entitled to prosecute the claim before the Courts or to take such other proceedings as may be open to him.

## SECTION IV—PROPERTY, RIGHTS AND INTERESTS

## ARTICLE 297 [249]

The question of private property, rights and interests in an enemy country shall be settled according to the principles laid down in this Section and to the provisions of the Annex hereto :—

(a) The exceptional war measures and measures of transfer (defined in paragraph 3 of the Annex hereto) taken by Germany [*in the territory of the former Austrian Empire*] with respect to the property, rights and interests of nationals of Allied or Associated Powers, including companies and associations in which they are interested, when liquidation has not been completed, shall be immediately discontinued or stayed and the property, rights and interests concerned restored to their owners, who shall enjoy full rights therein in accordance with the provisions of Article 298.

(b) Subject to any contrary stipulations which may be provided for in the present Treaty, the Allied and Associated Powers reserve the right to retain and liquidate all property, rights and interests belonging [*which belong*] at the date of the coming into force of the present Treaty to German nationals [*of the former Austrian Empire*], or companies controlled by them, [*and are*] within their [*the*] territories, colonies, possessions and protectorates [*of such Powers*], including territories ceded to them by the present Treaty [*or are under the control of those Powers*].

The liquidation shall be carried out in accordance with the laws of the Allied or Associated State concerned, and the German owner shall not be able to dispose of such property, rights or interests nor to subject them to any charge without the consent of that State.

German nationals who acquire ipso facto the nationality of an Allied or Associated Power in accordance with the provisions of the present Treaty will not be considered as German nationals within the meaning of this paragraph.

[*Persons who within six months of the coming into force of the present Treaty show that they have acquired ipso facto, in accordance with its provisions, the nationality of an Allied or Associated Power, including those who under Articles 72 or 76 obtain such nationality with the consent of the competent authorities, or who under Articles 74 or 77 acquire such nationality in virtue of previous rights of citizenship (pertinenza) will not be considered*

*as nationals of the former Austrian Empire within the meaning of this paragraph.]*

- (c) The price or the amount of compensation in respect of the exercise of the right referred to in the preceding paragraph (b) will be fixed in accordance with the methods of sale or valuation adopted by the laws of the country in which the property has been retained or liquidated.
- (d) As between the Allied and Associated Powers or [and] their nationals on the one hand and Germany or her nationals [of the former Austrian Empire] on the other hand [as also between Austria on the one hand and the Allied and Associated Powers and their nationals on the other hand], all the exceptional war measures, or measures of transfer, or acts done or to be done in execution of such measures as defined in paragraphs 1 and 3 of the Annex hereto shall be considered as final and binding upon all persons except as regards the reservations laid down in the present Treaty.
- (e) The nationals of Allied and Associated Powers shall be entitled to compensation in respect of damage or injury inflicted upon their property, rights or interests, including any company or association in which they are interested, in German [the] territory [of the former Austrian Empire] as it existed on August 1, 1914, by the application either of the exceptional war measures or measures of transfer mentioned in paragraphs 1 and 3 of the Annex hereto. The claims made in this respect by such nationals shall be investigated, and the total of the compensation shall be determined by the Mixed Arbitral Tribunal provided for in Section VI or by an Arbitrator appointed by that Tribunal. This compensation shall be borne by Germany [Austria], and may be charged upon the property of German nationals [in the former Austrian Empire, or companies controlled by them as defined in paragraph (b)] within the territory or under the control of the claimant's State. This property may be constituted as a pledge for enemy liabilities under the conditions fixed by paragraph 4 of the Annex hereto. The payment of this compensation may be made by the Allied or Associated State, and the amount will be debited to Germany [Austria].
- (f) Whenever a national of an Allied or Associated Power is entitled to property which has been subjected to a measure of transfer in German [the] territory [of the former Austrian Empire], and expresses a desire for its restitution, his claim for compensation in accordance with paragraph (e) shall be satisfied by the restitution of the said property if it still exists in specie,



In such case Germany [*Austria*] shall take all necessary steps to restore the evicted owner to the possession of his property, free from all encumbrances or burdens with which it may have been charged after the liquidation, and to indemnify all third parties injured by the restitution.

If the restitution provided for in this paragraph cannot be effected, private agreements arranged by the intermediation of the Powers concerned or the clearing offices provided for in the Annex to Section III may be made, in order to secure that the national of the Allied or Associated Power may secure compensation for the injury referred to in paragraph (e) by the grant of advantages or equivalents which he agrees to accept in place of the property, rights or interests of which he was deprived.

Through restitution in accordance with this Article, the price or the amount of compensation fixed by the application of paragraph (e) will be reduced by the actual value of the property restored, account being taken of compensation in respect of loss of use or deterioration.

(g) The rights conferred by paragraph (f) are reserved to owners who are nationals of Allied or Associated Powers within whose territory legislative measures prescribing the general liquidation of enemy property, rights or interests were not applied before the signature of the Armistice.

(h) Except in cases where, by application of paragraph (f), restitutions in specie have been made, the net proceeds of sales of enemy property, rights or interests wherever situated carried out either by virtue of war legislation, or by application of this Article, and in general all cash assets of enemies [*other than proceeds of sale of property or cash assets in Allied or Associated countries belonging to persons covered by the last sentence of paragraph (b) above*], shall be dealt with as follows:—

(1) As regards Powers adopting Section III and the Annex thereto, the said proceeds and cash assets shall be credited to the Power of which the owner is a national, through the clearing office established thereunder; any credit balance in favour of Germany [*Austria*] resulting therefrom shall be dealt with as provided in Article 243 [189, Part VIII, (*Reparation*) of the present Treaty].

(2) As regards Powers not adopting Section III and the Annex thereto, the proceeds of the property, rights and interests, and the cash



assets, of the nationals of Allied or Associated Powers held by Germany [*Austria*] shall be paid immediately to the person entitled thereto or to his Government; the proceeds of the property, rights and interests, and the cash assets of German nationals [*of the former Austrian Empire, or companies controlled by them, as defined in paragraph (b)*] received by an Allied or Associated Power shall be subject to disposal by such Power in accordance with its laws and regulations and may be applied in payment of the claims and debts defined by this Article or paragraph 4 of the Annex hereto. Any [*such*] property, rights and interests or proceeds thereof or cash assets not used as above provided may be retained by the said Allied or Associated Power, and if retained the cash value thereof shall be dealt with as provided in Article 243 [*189, Part VIII (Reparation) of the present Treaty*].

<sup>1</sup> [*Subject to the provisions of Article 267,*] In the case of liquidations effected in new States, which are signatories of the present Treaty as Allied and Associated Powers, or in States which are not entitled to share in the reparation payments to be made by Germany [*Austria*], the proceeds of liquidations effected by such States shall, subject to the rights of the Reparation Commission under the present Treaty, particularly under Articles 235 and 260 [*181, Part VIII (Reparation), and 211, Part IX (Financial Clauses)*], be paid direct to the owner. If on the application of that owner, the Mixed Arbitral Tribunal, provided for by Section VI of this Part or an arbitrator appointed by that Tribunal, is satisfied that the conditions of the sale or measures taken by the Government of the State in question outside its general legislation were unfairly prejudicial to the price obtained, they shall have discretion to award to the owner equitable compensation to be paid by that State.

- <sup>2</sup> (i) Germany [*Austria*] undertakes to compensate her nationals in respect of the sale or retention of their

<sup>1</sup> This is (i) in the Treaty of St. Germain.

<sup>2</sup> This is (j) in the Treaty of St. Germain.

property, rights or interests in Allied or Associated States.

- <sup>3</sup> (j) The amount of all taxes and [or] imposts upon [on] capital levied or to be levied by Germany [Austria] on the property, rights and interests of the nationals of the Allied or Associated Powers from November 11, 1918 [November 3, 1918], until three months from the coming into force of the present Treaty, or, in the case of property, rights or interests which have been subjected to exceptional measures of war, until restitution in accordance with the present Treaty, shall be restored to the owners.

#### ARTICLE 298 [250]

Germany [Austria] undertakes, with regard to the property, rights and interests, including companies and associations in which they were interested, restored to nationals of Allied and Associated Powers in accordance with the provisions of Article 297 [249], paragraph (a) or (f) —

- (a) to restore and maintain, except as expressly provided in the present Treaty, the property, rights and interests of the nationals of Allied or Associated Powers in the legal position obtaining in respect of the property, rights and interests of German nationals [*of the former Austrian Empire*] under the laws in force before the war ;
- (b) not to subject the property, rights or interests of the nationals of the Allied or Associated Powers to any measures in derogation of property rights which are not applied equally to the property, rights and interests of German [Austrian] nationals, and to pay adequate compensation in the event of the application of these measures,

#### ANNEX

1. In accordance with the provisions of Article 297 [249], paragraph (d), the validity of vesting orders and of orders for the winding up of businesses or companies, and of any other orders, directions, decisions or instructions of any Court or any Department of the Government of any of the High Contracting Parties made or given, or purporting to be made or given, in pursuance of war legislation with regard to enemy property, rights and interests is confirmed. The interests of all persons shall be regarded as having been effectively dealt with by any order, direction, decision or instruction dealing with property in which they may be in-

<sup>3</sup> This is (k) in the Treaty of St. Germain.

terested, whether or not such interests are specifically [*specially*] mentioned in the order, direction, decision or instruction. No question shall be raised as to the regularity of a transfer of any property, rights or interests dealt with in pursuance of any such order, direction, decision or instruction. Every action taken with regard to any property, business or company, whether as regards its investigation, sequestration, compulsory administration, use, requisition, supervision or winding up, the sale or management of property, rights or interests, the collection or discharge of debts, the payment of costs, charges or expenses, or any other matter whatsoever, in pursuance of orders, directions, decisions or instructions of any Court or of any department of the Government of any of the High Contracting Parties, made or given, or purporting to be made or given, in pursuance of war legislation with regard to enemy property, rights or interests, is confirmed. Provided that the provisions of this paragraph shall not be held to prejudice the titles to property heretofore acquired in good faith and for value and in accordance with the laws of the country in which the property is situated by nationals of the Allied and Associated Powers.

The provisions of this paragraph do not apply to such of the above-mentioned measures as have been taken by the German authorities [*former Austro-Hungarian Government*] in invaded or occupied territory, nor to such of the above-mentioned measures as have been taken by Germany [*Austria*] or the German [*Austrian*] authorities since November 11, 1918 [*November 3, 1918*], all of which [*measures*] shall be void.

2. No claim or action shall be made or brought against any Allied or Associated Power or against any person acting on behalf of or under the direction of any legal authority or Department of the Government of such a Power by Germany [*Austria*] or by any German [*Austrian*] national [*or by or on behalf of any national of the former Austrian Empire*] wherever resident in respect of any act or omission with regard to his property, rights or interests during the war or in preparation for the war. Similarly no claim or action shall be made or brought against any person in respect of any act or omission under or in accordance with the exceptional war measures, laws or regulations of any Allied or Associated Power.

3. In Article 297 [249] and this Annex the expression "exceptional war measures" includes measures of all kinds, legislative, administrative, judicial or others, that have been taken or will be taken hereafter with regard to enemy property, and which have had or will have the effect of removing from the proprietors the power of disposition over their property, though without affecting the ownership, such as measures of supervision, of compulsory administration, and of sequestration; or measures which have had or will have as an object the seizure of, the use of, or the



interference with enemy assets, for whatsoever motive, under whatsoever form, or in whatsoever place. Acts in the execution of these measures include all detentions, instructions, orders or decrees of Government Departments or Courts applying these measures to enemy property, as well as acts performed by any person connected with the administration or the supervision of enemy property, such as the payment of debts, the collecting of credits, the payment of any costs, charges or expenses, or the collecting of fees.

Measures of transfer are those which have affected or will affect the ownership of enemy property by transferring it in whole or in part to a person other than the enemy owner, and without his consent, such as measures directing sale, liquidation or devolution of ownership in enemy property, or the cancelling of titles or securities.

4. All property, rights and interests of German nationals [*of the former Austrian Empire*] within the territory of any Allied or Associated Power and the net proceeds of their sale, liquidation or other dealing therewith may be charged by that Allied or Associated Power in the first place with payment of amounts due in respect of claims by the nationals of that Allied or Associated Power with regard to their property, rights, and interests, including companies and associations in which they are interested, in German territory [*of the former Austrian Empire*], or debts owing to them by German [*Austrian*] nationals, and with payment of claims growing out of acts committed by the German [*former Austro-Hungarian*] Government or by any German [*Austrian*] authorities since July 31, 1914 [*July 28, 1914*], and before that Allied or Associated Power entered into the war. The amount of such claims may be assessed by an arbitrator appointed by Mr. Gustave Ador, if he is willing, or, if no such appointment is made by him, by an arbitrator appointed by the Mixed Arbitral Tribunal provided for in Section VI. They may be charged in the second place with payment of the amounts due in respect of claims by the nationals of such Allied or Associated Power with regard to their property, rights and interests in the territory of other enemy Powers, in so far as those claims are otherwise unsatisfied.

5. Notwithstanding the provisions of Article 297 [*249*], where immediately before the outbreak of war a company incorporated in an Allied or Associated State had rights in common with a company controlled by it and incorporated in Germany [*Austria*] to the use of trade-marks in third countries, or enjoyed the use in common with such company of unique means of reproduction of goods or articles for sale in third countries, the former company shall alone have the right to use these trade-marks in third countries to the exclusion of the German [*Austrian*] company, and these unique means of reproduction shall be handed over to the former company, notwithstanding any action taken under German



war legislation [*in force in the Austro-Hungarian Monarchy*] with regard to the latter company or its business, industrial property or shares. Nevertheless, the former company, if requested, shall deliver to the latter company derivative copies permitting the continuation of reproduction of articles for use within German [Austrian] territory.

6. Up to the time when restitution is carried out in accordance with Article 297, Germany [249, Austria] is responsible for the conservation of property, rights and interests of the nationals of Allied or Associated Powers, including companies and associations in which they are interested, that have been subjected by her to exceptional war measures.

7. Within one year from the coming into force of the present Treaty the Allied or Associated Powers will specify the property, rights and interests over which they intend to exercise the right provided in Article 297 [249], paragraph (f).

8. The restitution provided in Article 297 [249] will be carried out by order of the German [Austrian] Government or of the authorities which have been substituted for it. Detailed accounts of the action of administrators shall be furnished to the interested persons by the German [Austrian] authorities upon request, which may be made at any time after the coming into force of the present Treaty.

9. Until completion of the liquidation provided for by Article 297 [249], paragraph (b), the property, rights and interests of German nationals [the persons referred to in that paragraph] will continue to be subject to exceptional war measures that have been or will be taken with regard to them.

10. Germany [Austria] will, within six months from the coming into force of the present Treaty, deliver to each Allied or Associated Power all securities, certificates, deeds or other documents of title held by its nationals and relating to property, rights or interests situated in the territory of that Allied or Associated Power, including any shares, stock, debentures, debenture stock or other obligations of any company incorporated in accordance with the laws of that Power.

Germany [Austria] will at any time on demand of any Allied or Associated Power furnish such information as may be required with regard to the property, rights and interests of German [Austrian] nationals within the territory of such Allied or Associated Power, or with regard to any transaction concerning such property, rights or interests effected since July 1, 1914.

11. The expression "cash assets" includes all deposits or funds established before or after the declaration [existence of a state] of war, as well as all assets coming from deposits, revenues or profits collected by administrators, sequestrators, or others from funds placed on deposit or otherwise, but does not include sums belonging

to the Allied or Associated Powers or to their component States, Provinces or Municipalities.

12. All investments wheresoever effected with the cash assets of nationals of the High Contracting Parties, including companies and associations in which such nationals were interested, by persons responsible for the administration of enemy properties or having control over such administration, or by order of such persons or of any authority whatsoever, shall be annulled. These cash assets shall be accounted for irrespective of any such investment.

13. Within one month from the coming into force of the present Treaty, or on demand at any time, Germany [*Austria*] will deliver to the Allied and Associated Powers all accounts, vouchers, records, documents and information of any kind which may be within German [*Austrian*] territory, and which concern the property, rights and interests of the nationals of those Powers, including companies and associations in which they are interested, that have been subjected to an exceptional war measure, or to a measure of transfer either in German [*the*] territory [*of the former Austrian Empire*] or in territory occupied by Germany [*that Empire*] or her [*its*] allies.

The controllers, supervisors, managers, administrators, sequestrators, liquidators, and receivers shall be personally responsible under guarantee of the German [*Austrian*] Government for the immediate delivery in full of these accounts and documents, and for their accuracy.

14. The provisions of Article 297 [249] and this Annex relating to property, rights and interests in an enemy country, and the proceeds of the liquidation thereof, apply to debts, credits and accounts, Section III regulating only the method of payment.

In the settlement of matters provided for in Article 297 [249] between Germany [*Austria*] and the Allied or Associated States [*Powers*], their colonies or protectorates, or any one of the British Dominions or India, in respect of any of which a declaration shall not have been made that they adopt Section III, and between their respective nationals, the provisions of Section III respecting the currency in which payment is to be made and the rate of exchange and of interest shall apply unless the Government of the Allied or Associated Power concerned shall within six months of the coming into force of the present Treaty notify Germany [*Austria*] that [*one or more of*] the said provisions are not to be applied.

15. The provisions of Article 297 [249] and this Annex apply to industrial, literary and artistic property which has been or will be dealt with in the liquidation of property, rights, interests, companies or businesses under war legislation by the Allied or Associated Powers, or in accordance with the stipulations of Article 297 [249], paragraph (b).

## SECTION V—CONTRACTS, PRESCRIPTIONS, JUDGMENTS

ARTICLE 299 [251]

(a) Any contract concluded between enemies shall be regarded as having been dissolved as from the time when any two of the parties became enemies, except in respect of any debt or other pecuniary obligation arising out of any act done or money paid thereunder, and subject to the exceptions and special rules with regard to particular contracts or classes of contracts contained herein or in the Annex hereto.

(b) Any contract of which the execution shall be required in the general interest, within six months from the date of the coming into force of the present Treaty, by the Allied or Associated Governments [*Government of the Allied or Associated Power*] of which one of the parties is a national, shall be excepted from dissolution under this Article.

When the execution of the contract thus kept alive would, owing to the alteration of trade conditions, cause one of the parties substantial prejudice the Mixed Arbitral Tribunal provided for by Section VI shall be empowered to grant to the prejudiced party equitable compensation.

(c) Having regard to the provisions of the constitution and law of the United States of America, of Brazil, and of Japan, neither the present Article, nor Article 300 [252], nor the Annex hereto shall apply to contracts made between nationals of these States and German nationals [*of the former Austrian Empire*]; nor shall Article 305 [257] apply to the United States of America or its nationals.

(d) The present Article and the Annex hereto shall not apply to contracts the parties to which became enemies by reason of one of them being an inhabitant of territory of which the sovereignty has been transferred, if such party shall acquire under the present Treaty the nationality of an Allied or Associated Power, nor shall they apply to contracts between nationals of the Allied and Associated Powers between whom trading has been prohibited by reason of one of the parties being in Allied or Associated territory in the occupation of the enemy.

(e) Nothing in the present Article or the Annex hereto shall be deemed to invalidate a transaction lawfully carried out in accordance with a contract between enemies if it has been carried out with the authority of one of the belligerent Powers.

ARTICLE 300 [252]

(a) All periods of prescription, or limitation of right of action, whether they began to run before or after the outbreak of war, shall be treated in the territory of the High Contracting Parties,



so far as regards relations between enemies, as having been suspended for the duration of the war. They shall begin to run again at earliest three months after the coming into force of the present Treaty. This provision shall apply to the period prescribed for the presentation of interest or dividend coupons or for the presentation for repayment of securities drawn for repayment or repayable on any other ground.

(b) Where, on account of failure to perform any act or comply with any formality during the war, measures of execution have been taken in German [*the*] territory [*of the former Austrian Empire*] to the prejudice of a national of an Allied or Associated Power, the claim of such national shall, if the matter does not fall within the competence of the Courts of an Allied or Associated Power, be heard by the Mixed Arbitral Tribunal provided for by Section VI.

(c) Upon the application of any interested person who is a national of an Allied or Associated Power the Mixed Arbitral Tribunal shall order the restoration of the rights which have been prejudiced by the measures of execution referred to in paragraph (b), wherever, having regard to the particular circumstances of the case, such restoration is equitable and possible.

If such restoration is inequitable or impossible the Mixed Arbitral Tribunal may grant compensation to the prejudiced party to be paid by the German [*Austrian*] Government.

(d) Where a contract between enemies has been dissolved by reason either of failure on the part of either party to carry out its provisions or of the exercise of a right stipulated in the contract itself the party prejudiced may apply to the Mixed Arbitral Tribunal for relief. The Tribunal will have the powers provided for in paragraph (c).

(e) The provisions of the preceding paragraphs of this Article shall apply to the nationals of Allied and Associated Powers who have been prejudiced by reason of measures referred to above taken by Germany [*the authorities of the former Austrian Government*] in invaded or occupied territory, if they have not been otherwise compensated.

(f) Germany [*Austria*] shall compensate any third party who may be prejudiced by any restitution or restoration ordered by the Mixed Arbitral Tribunal under the provisions of the preceding paragraphs of this Article.

(g) As regards negotiable instruments, the period of three months provided under paragraph (a) shall commence as from the date on which any exceptional regulations applied in the territories of the interested Power with regard to negotiable instruments shall have definitely ceased to have force.



## ARTICLE 301 [253]

As between enemies no negotiable instrument made before the war shall be deemed to have become invalid by reason only of failure within the required time to present the instrument for acceptance or payment or to give notice of non-acceptance or non-payment to drawers or indorsers or to protest the instrument, nor by reason of failure to complete any formality during the war.

Where the period within which a negotiable instrument should have been presented for acceptance or for payment, or within which notice of non-acceptance or non-payment should have been given to the drawer or indorser, or within which the instrument should have been protested, has elapsed during the war, and the party who should have presented or protested the instrument or have given notice of non-acceptance or non-payment has failed to do so during the war, a period of not less than three months from the coming into force of the present Treaty shall be allowed within which presentation, notice of non-acceptance or non-payment or protest may be made.

## ARTICLE 302 [254]

Judgments given by the Courts of an Allied or Associated Power in all cases which, under the present Treaty, they are competent to decide, shall be recognized in Germany [*Austria*] as final, and shall be enforced without it being necessary to have them declared executory.

If a judgment [*or measure of execution*] in respect of any dispute which may have arisen has been given during the war by a German Court [*judicial authority of the former Austrian Empire*] against a national of an Allied or Associated State [*Power or a company or association in which one of such nationals was interested*], in a case in which he [*either such national or such company or association*] was not able to make his [*their*] defence, the Allied and Associated national who has suffered prejudice thereby shall be entitled to recover compensation, to be fixed by the Mixed Arbitral Tribunal provided for in Section VI.

At the instance of the national of the Allied or Associated Power the compensation above mentioned may, upon order to that effect of the Mixed Arbitral Tribunal, be effected where it is possible by replacing the parties in the situation which they occupied before the judgment was given by the German [*Austrian*] Court.

The above compensation may likewise be obtained before the Mixed Arbitral Tribunal by the nationals of Allied or Associated Powers who have suffered prejudice by judicial measures taken in invaded or occupied territories, if they have not been otherwise compensated.

## ARTICLE 303 [255]

For the purpose of Sections III, IV, V and VII, the expression "during the war" means for each Allied or Associated Power the period between the commencement of the state of war between that Power and Germany [*the former Austro-Hungarian Monarchy*] and the coming into force of the present Treaty.

## ANNEX

## I. GENERAL PROVISIONS

1. Within the meaning of Articles 299, 300 and 301 [251, 252 and 253], the parties to a contract shall be regarded as enemies when trading between them shall have been prohibited by or otherwise became unlawful under laws, orders or regulations to which one of those parties was subject. They shall be deemed to have become enemies from the date when such trading was prohibited or otherwise became unlawful.

2. The following classes of contracts are excepted from dissolution by Article 299 [251], and, without prejudice to the rights contained in Article 297 [249] (b) of Section IV, remain in force subject to the application of domestic laws, orders or regulations made during the war by the Allied and Associated Powers and subject to the terms of the contracts:—

- (a) Contracts having for their object the transfer of estates or of real or personal property where the property therein had passed or the object had been delivered before the parties became enemies;
- (b) Leases and agreements for leases of land and houses;
- (c) Contracts of mortgage, pledge or lien;
- (d) Concessions concerning mines, quarries or deposits;
- (e) Contracts between individuals or companies and States, provinces, municipalities or other similar juridical persons charged with administrative functions and concessions granted by States, provinces, municipalities or other similar juridical persons charged with administrative functions.

3. If the provisions of a contract are in part dissolved under Article 299 [251], the remaining provisions of that contract shall, subject to the same application of domestic laws as is provided for in paragraph 2, continue in force if they are severable, but where they are not severable the contract shall be deemed to have been dissolved in its entirety.

## II. PROVISIONS RELATING TO CERTAIN CLASSES OF CONTRACTS

*Stock Exchange and Commercial Exchange Contracts*

4. (a) Rules made during the war by any recognized Exchange or Commercial Association providing for the closure of contracts entered into before the war by an enemy are confirmed by the High Contracting Parties, as also any action taken thereunder, provided:—

(i) That the contract was expressed to be made subject to the rules of the Exchange or Association in question ;

(ii) That the rules applied to all persons concerned ;

(iii) That the conditions attaching to the closure were fair and reasonable.

(b) The preceding paragraph shall not apply to rules made during the occupation by Exchanges or Commercial Associations in the districts occupied by the enemy.

(c) The closure of contracts relating to cotton “ futures,” which were closed as on July 31, 1914, under the decision of the Liverpool Cotton Association, is also confirmed.

*Security*

5. The sale of a security held for an unpaid debt owing by an enemy shall be deemed to have been valid irrespective of notice to the owner if the creditor acted in good faith and with reasonable care and prudence, and no claim by the debtor on the ground of such sale shall be admitted.

This stipulation shall not apply to any sale of securities effected by an enemy during the occupation in regions invaded or occupied by the enemy.

*Negotiable Instruments*

6. As regards Powers which adopt Section III and the Annex thereto the pecuniary obligations existing between enemies and resulting from the issue of negotiable instruments shall be adjusted in conformity with the said Annex by the instrumentality of the Clearing Offices, which shall assume the rights of the holder as regards the various remedies open to him.

7. If a person has either before or during the war become liable upon a negotiable instrument in accordance with an undertaking given to him by a person who has subsequently become an enemy, the latter shall remain liable to indemnify the former in respect of his liability notwithstanding the outbreak of war.

## III. CONTRACTS OF INSURANCE

8. Contracts of insurance entered into by any person with another person who subsequently became an enemy will be dealt with in accordance with the following paragraphs.

*Fire Insurance*

9. Contracts for the insurance of property against fire entered into by a person interested in such property with another person who subsequently became an enemy shall not be deemed to have been dissolved by the outbreak of war, or by the fact of the person becoming an enemy, or on account of the failure during the war and for a period of three months thereafter to perform his obligations under the contract, but they shall be dissolved at the date when the annual premium becomes payable for the first time after the expiration of a period of three months after the coming into force of the present Treaty.

A settlement shall be effected of unpaid premiums which became due during the war, or of claims for losses which occurred during the war.

10. Where by administrative or legislative action an insurance against fire effected before the war has been transferred during the war from the original to another insurer, the transfer will be recognized and the liability of the original insurer will be deemed to have ceased as from the date of the transfer. The original insurer will, however, be entitled to receive on demand full information as to the terms of the transfer, and if it should appear that these terms were not equitable they shall be amended so far as may be necessary to render them equitable.

Furthermore, the insured shall, subject to the concurrence of the original insurer, be entitled to retransfer the contract to the original insurer as from the date of the demand.

*Life Insurance*

11. Contracts of life insurance entered into between an insurer and a person who subsequently became an enemy shall not be deemed to have been dissolved by the outbreak of war, or by the fact of the person becoming an enemy.

Any sum which during the war became due upon a contract deemed not to have been dissolved under the preceding provision shall be recoverable after the war with the addition of interest at five per cent. per annum from the date of its becoming due up to the day of payment.

Where the contract has lapsed during the war owing to non-payment of premiums, or has become void from breach of the conditions of the contract, the assured or his representatives or the persons entitled shall have the right at any time within twelve months of the coming into force of the present Treaty to claim from the insurer the surrender value of the policy at the date of its lapse or avoidance.

Where the contract has lapsed during the war owing to non-payment of premiums the payment of which has been prevented by the enforcement of measures of war, the assured or his representative or the persons entitled shall have the right to restore



the contract on payment of the premiums with interest at 5 per cent. per annum within three months from the coming into force of the present Treaty.

12. Any Allied or Associated Power may within three months of the coming into force of the present Treaty cancel all the contracts of insurance running between a German insurance company and its nationals under conditions which shall protect its nationals from any prejudice.

To this end the German insurance company will hand over to the Allied or Associated Government concerned the proportion of its assets attributable to the policies so cancelled and will be relieved from all liability in respect of such policies. The assets to be handed over shall be determined by an actuary appointed by the Mixed Arbitral Tribunal.

13 [12]. Where contracts of life insurance have been entered into by a local branch of an insurance company established in a country which subsequently became an enemy country, the contract shall, in the absence of any stipulation to the contrary in the contract itself, be governed by the local law, but the insurer shall be entitled to demand from the insured or his representatives the refund of sums paid on claims made or enforced under measures taken during the war, if the making or enforcement of such claims was not in accordance with the terms of the contract itself or was not consistent with the laws or treaties existing at the time when it was entered into.

14 [13]. In any case where by the law applicable to the contract the insurer remains bound by the contract notwithstanding the non-payment of premiums until notice is given to the insured of the termination of the contract, he shall be entitled, where the giving of such notice was prevented by the war, to recover the unpaid premiums with interest at 5 per cent. per annum from the insured.

15 [14]. Insurance contracts shall be considered as contracts of life assurance for the purpose of paragraphs 11 to 14 [13] when they depend on the probabilities of human life combined with the rate of interest for the calculation of the reciprocal engagements between the two parties.

### *Marine Insurance*

16 [15]. Contracts of marine insurance including time policies and voyage policies entered into between an insurer and a person who subsequently became an enemy, shall be deemed to have been dissolved on his becoming an enemy, except in cases where the risk undertaken in the contract had attached before he became an enemy.

Where the risk had not attached, money paid by way of premium or otherwise shall be recoverable from the insurer.

Where the risk had attached effect shall be given to the contract notwithstanding the party becoming an enemy, and sums due under the contract either by way of premiums or in respect of losses shall be recoverable after the coming into force of the present Treaty.

In the event of any agreement being come to for the payment of interest on sums due before the war to or by the nationals of States which have been at war and recovered after the war, such interest shall in the case of losses recoverable under contracts of marine insurance run from the expiration of a period of one year from the date of the loss.

17 [16]. No contract of marine insurance with an insured person who subsequently became an enemy shall be deemed to cover losses due to belligerent action by the Power of which the insurer was a national or by the allies or associates of such Power.

18 [17]. Where it is shown that a person who had before the war entered into a contract of marine insurance with an insurer who subsequently became an enemy entered after the outbreak of war into a new contract covering the same risk with an insurer who was not an enemy, the new contract shall be deemed to be substituted for the original contract as from the date when it was entered into, and the premiums payable shall be adjusted on the basis of the original insurer having remained liable on the contract only up till the time when the new contract was entered into.

### *Other Insurances*

19 [18]. Contracts of insurance entered into before the war between an insurer and a person who subsequently became an enemy, other than contracts dealt with in paragraphs 9 to 18 [17], shall be treated in all respects on the same footing as contracts of fire insurance between the same persons would be dealt with under the said paragraphs.

### *Reinsurance*

20 [19]. All treaties of reinsurance with a person who became an enemy shall be regarded as having been abrogated by the person becoming an enemy, but without prejudice in the case of life or marine risks which had attached before the war to the right to recover payment after the war for sums due in respect of such risks.

Nevertheless if, owing to invasion, it has been impossible for the reinsured to find another reinsurer, the treaty shall remain in force until three months after the coming into force of the present Treaty.

Where a reinsurance treaty becomes void under this paragraph, there shall be an adjustment of accounts between the parties in respect both of premiums paid and payable and of liabilities for losses in respect of life or marine risk which had attached before

the war. In the case of risks other than those mentioned in paragraphs 11 to 18 [17] the adjustment of accounts shall be made as at the date of the parties becoming enemies without regard to claims for losses which may have occurred since that date.

21 [20]. The provisions of the preceding paragraph will extend equally to reinsurances existing at the date of the parties becoming enemies of particular risks undertaken by the insurer in a contract of insurance against any risks other than life or marine risks.

22 [21]. Reinsurance of life risks effected by particular contracts and not under any general treaty remain in force.

The provisions of paragraph 12 apply to treaties of reinsurance of life insurance contracts in which enemy companies are the reinsurers.

23 [22]. In case of a reinsurance effected before the war of a contract of marine insurance, the cession of a risk which had been ceded to the reinsurer shall, if it had attached before the outbreak of war, remain valid and effect be given to the contract notwithstanding the outbreak of war; sums due under the contract of reinsurance in respect either of premiums or of losses shall be recoverable after the war.

24 [23]. The provisions of paragraphs 17 [16] and 18 [17] and the last part of paragraph 16 [15] shall apply to contracts for the reinsurance of marine risks.

## SECTION VI—MIXED ARBITRAL TRIBUNAL

### ARTICLE 304 [256]

(a) Within three months from the date of the coming into force of the present Treaty, a Mixed Arbitral Tribunal shall be established between each of the Allied and Associated Powers on the one hand and Germany [*Austria*] on the other hand. Each such Tribunal shall consist of three members. Each of the Governments concerned shall appoint one of these members. The President shall be chosen by agreement between the two Governments concerned.

In case of failure to reach agreement, the President of the Tribunal and two other persons, either of whom may in case of need take his place, shall be chosen by the Council of the League of Nations, or, until this is set up, by M. Gustave Ador if he is willing. These persons shall be nationals of Powers that have remained neutral during the war.

If any Government does not proceed within a period of one month in case there is a vacancy to appoint [*as provided above*] a member of the Tribunal, such member shall be chosen by the other Government from the two persons mentioned above other than the President.

The decision of the majority of the members of the Tribunal shall be the decision of the Tribunal.



(b) The Mixed Arbitral Tribunals established pursuant to paragraph (a) shall decide all questions within their competence under Sections III, IV, V and VII.

In addition, all questions, whatsoever their nature, relating to contracts concluded before the coming into force of the present Treaty between nationals of the Allied and Associated Powers and German [*Austrian*] nationals shall be decided by the Mixed Arbitral Tribunal, always excepting questions which, under the laws of the Allied, Associated or Neutral Powers, are within the jurisdiction of the National Courts of those Powers. Such questions shall be decided by the National Courts in question, to the exclusion of the Mixed Arbitral Tribunal. The party who is a national of an Allied or Associated Power may nevertheless bring the case before the Mixed Arbitral Tribunal if this is not prohibited by the laws of his country.

(c) If the number of cases justifies it, additional members shall be appointed and each Mixed Arbitral Tribunal shall sit in divisions. Each of these divisions will be constituted as above.

(d) Each Mixed Arbitral Tribunal will settle its own procedure except in so far as it is provided in the following Annex, and is empowered to award the sums to be paid by the loser in respect of the costs and expenses of the proceedings.

(e) Each Government will pay the remuneration of the member of the Mixed Arbitral Tribunal appointed by it and of any agent whom it may appoint to represent it before the Tribunal. The remuneration of the President will be determined by special agreement between the Governments concerned ; and this remuneration and the joint expenses of each Tribunal will be paid by the two Governments in equal moieties.

(f) The High Contracting Parties agree that their courts and authorities shall render to the Mixed Arbitral Tribunal direct all the assistance in their power, particularly as regards transmitting notices and collecting evidence.

(g) The High Contracting Parties agree to regard the decisions of the Mixed Arbitral Tribunal as final and conclusive, and to render them binding upon their nationals.

## ANNEX

1. Should one of the members of the Tribunal either die, retire, or be unable for any reason whatever to discharge his functions, the same procedure will be followed for filling the vacancy as was followed for appointing him.

2. The Tribunal may adopt such rules of procedure as shall be in accordance with justice and equity and decide the order and time at which each party must conclude its arguments, and may arrange all formalities required for dealing with the evidence.

3. The agent and counsel of the parties on each side are authorized to present orally and in writing to the Tribunal arguments in support or in defence of each case.



4. The Tribunal shall keep record of the questions and cases submitted and the proceedings thereon, with the dates of such proceedings.

5. Each of the Powers concerned may appoint a secretary. These secretaries shall act together as joint secretaries of the Tribunal and shall be subject to its direction. The Tribunal may appoint and employ any other necessary officer or officers to assist in the performance of its duties.

6. The Tribunal shall decide all questions and matters submitted upon such evidence and information as may be furnished by the parties concerned.

7. Germany agrees [*The High Contracting Parties agree*] to give the Tribunal all facilities and information required by it for carrying out its investigations.

8. The language in which the proceedings shall be conducted shall, unless otherwise agreed, be English, French, Italian, or Japanese, as may be determined by the Allied or Associated Power concerned.

9. The place and time for the meetings of each Tribunal shall be determined by the President of the Tribunal.

#### ARTICLE 305 [257]

Whenever a competent Court has given or gives a decision in a case covered by Sections III, IV, V, or VII, and such decision is inconsistent with the provisions of such Sections, the party who is prejudiced by the decision shall be entitled to obtain redress which shall be fixed by the Mixed Arbitral Tribunal. At the request of the national of an Allied or Associated Power, the redress may, whenever possible, be effected by the Mixed Arbitral Tribunal directing the replacement of the parties in the position occupied by them before the judgment was given by the German Court [*of the former Austrian Empire*].

### SECTION VII—INDUSTRIAL PROPERTY

#### ARTICLE 306 [258]

Subject to the stipulations of the present Treaty, rights of industrial, literary and artistic property, as such property is defined by the International Conventions of Paris and of Berne, mentioned in Article 286 [237 and 239], shall be re-established or restored, as from the coming into force of the present Treaty, in the territories of the High Contracting Parties, in favour of the persons entitled to the benefit of them at the moment when the state of war commenced or their legal representatives. Equally, rights which, except for the war, would have been acquired during the war in consequence of an application made for the protection of industrial property, or the publication of a literary or artistic

work, shall be recognized and established in favour of those persons who would have been entitled thereto, from the coming into force of the present Treaty.

Nevertheless, all acts done by virtue of the special measures taken during the war under legislative, executive or administrative authority of any Allied or Associated Power in regard to the rights of German nationals [*of the former Austrian Empire*] in industrial, literary or artistic property shall remain in force and shall continue to maintain their full effect.

No claim shall be made or action brought by Germany [*Austria*] or German [*Austrian*] nationals [*or by or on behalf of nationals of the former Austrian Empire*] in respect of the use during the war by the Government of any Allied or Associated Power, or by any persons acting on behalf or with the assent of such Government of any rights in industrial, literary or artistic property, nor in respect of the sale, offering for sale, or use of any products, articles or apparatus whatsoever to which such rights applied.

Unless the legislation of any one of the Allied or Associated Powers in force at the moment of the signature of the present Treaty otherwise directs, sums due or paid [*in respect of the property of persons referred to in Article 249 (b) and*] in virtue of any act or operation resulting from the execution of the special measures mentioned in paragraph 1 [*the second paragraph*] of this Article shall be dealt with in the same way as other sums due to German nationals [*such persons*] are directed to be dealt with by the present Treaty; and sums produced by any special measures taken by the German Government [*of the former Austrian Empire*] in respect of rights in industrial, literary or artistic property belonging to the nationals of the Allied or Associated Powers shall be considered and treated in the same way as other debts due from German [*Austrian*] nationals.

Each of the Allied and Associated Powers reserves to itself the right to impose such limitations, conditions, or restrictions on rights of industrial, literary or artistic property (with the exception of trade marks) acquired before or during the war, or which may be subsequently acquired in accordance with its legislation, by German [*Austrian*] nationals, whether by granting licences, or by the working, or by preserving control over their exploitation, or in any other way, as may be considered necessary for national defence, or in the public interest, or for assuring the fair treatment by Germany [*Austria*] of the rights of industrial, literary and artistic property held in German [*Austrian*] territory by its nationals, or for securing the due fulfilment of all the obligations undertaken by Germany [*Austria*] in the present Treaty. As regards rights of industrial, literary and artistic property acquired after the coming into force of the present Treaty, the right so reserved by the Allied and Associated Powers shall only be exercised in cases where these limitations, conditions, or restrictions

may be considered necessary for national defence or in the public interest.

In the event of the application of the provisions of the preceding paragraph by any Allied or Associated Power, there shall be paid reasonable indemnities or royalties, which shall be dealt with in the same way as other sums due to German [*Austrian*] nationals are directed to be dealt with by the present Treaty.

Each of the Allied or Associated Powers reserves the right to treat as void and of no effect any transfer in whole or in part of or other dealing with rights of or in respect of industrial, literary, or artistic property effected after August 1, 1914 [*July 28, 1914*], or in the future, which would have the result of defeating the objects of the provisions of this article.

The provisions of this article shall not apply to rights in industrial, literary or artistic property which have been dealt with in the liquidation of businesses or companies under war legislation by the Allied or Associated Powers, or which may be so dealt with by virtue of Article 297 [249], paragraph (b).

#### ARTICLE 307 [259]

A minimum of one year after the coming into force of the present Treaty shall be accorded to the nationals of the High Contracting Parties, without extension fees or other penalty, in order to enable such persons to accomplish any act, fulfil any formality, pay any fees, and generally satisfy any obligation prescribed by the laws or regulations of the respective States relating to the obtaining, preserving, or opposing rights to, or in respect of, industrial property either acquired before August 1, 1914 [*July 28, 1914*], or which, except for the war, might have been acquired since that date as a result of an application made before the war or during its continuance, but nothing in this article shall give any right to reopen interference proceedings in the United States of America where a final hearing has taken place.

All rights in, or in respect of, such property, which may have lapsed by reason of any failure to accomplish any act, fulfil any formality, or make any payment, shall revive, but subject in the case of patents and designs to the imposition of such conditions as each Allied or Associated Power may deem reasonably necessary for the protection of persons who have manufactured or made use of the subject matter of such property while the rights had lapsed. Further, where rights to patents or designs belonging to German [*Austrian*] nationals are revived under this article, they shall be subject in respect of the grant of licences to the same provisions as would have been applicable to them during the war, as well as to all the provisions of the present Treaty.

The period from August 1, 1914 [*July 28, 1914*], until the coming into force of the present Treaty shall be excluded in considering the time within which a patent should be worked or a



trade mark or design used, and it is further agreed that no patent, registered trade mark or design in force on August 1, 1914 [July 28, 1914], shall be subject to revocation or cancellation by reason only of the failure to work such patent or use such trade mark or design for two years after the coming into force of the present Treaty.

#### ARTICLE 308 [260]

The rights of priority, provided by Article IV of the International Convention for the Protection of Industrial Property of Paris, of March 20, 1883, revised at Washington in 1911 or by any other Convention or Statute, for the filing or registration of applications for patents or models of utility, and for the registration of trade marks, designs and models which had not expired on August 1, 1914 [July 28, 1914], and those which have arisen during the war, or would have arisen but for the war, shall be extended by each of the High Contracting Parties in favour of all nationals of the other High Contracting Parties for a period of six months after the coming into force of the present Treaty.

Nevertheless, such extension shall in no way affect the right of any of the High Contracting Parties or of any person who before the coming into force of the present Treaty was *bona fide* in possession of any rights of industrial property conflicting with rights applied for by another who claims rights of priority in respect of them, to exercise such rights by itself or himself personally, or by such agents or licensees as derived their rights from it or him before the coming into force of the present Treaty; and such persons shall not be amenable to any action or other process of law in respect of infringement.

#### ARTICLE 309 [261]

No action shall be brought and no claim made [*by nationals of the former Austrian Empire, or*] by persons residing or carrying on business within the territories [*territory*] of Germany [*that Empire*] on the one part and [*on the other part by persons residing or carrying on business in the territory*] of the Allied or Associated Powers on the other, or persons who are nationals of such Powers respectively, or by anyone deriving title during the war from such persons, by reason of any action which has taken place within the territory of the other party between the date of the declaration [*existence of a state*] of war and that of the coming into force of the present Treaty, which might constitute an infringement of the rights of industrial property or rights of literary and artistic property, either existing at any time during the war or revived under the provisions of Articles 307 and 308 [259 and 260].

Equally, no action for infringement of industrial, literary or



artistic property rights by such persons shall at any time be permissible in respect of the sale or offering for sale for a period of one year after the signature of the present Treaty in the territories of the Allied or Associated Powers on the one hand or Germany [*Austria*] on the other, of products or articles manufactured, or of literary or artistic works published, during the period between the declaration [*existence of a state*] of war and the signature of the present Treaty, or against those who have acquired and continue to use them. It is understood, nevertheless, that this provision shall not apply when the possessor of the rights was domiciled or had an industrial or commercial establishment in the districts occupied by Germany [*the Austro-Hungarian armies*] during the war.

This Article shall not apply as between the United States of America on the one hand and Germany [*Austria*] on the other.

#### ARTICLE 310 [262]

Licences in respect of industrial, literary or artistic property concluded before the war between nationals of the Allied or Associated Powers or persons residing in their territory or carrying on business therein, on the one part, and German nationals, [*of the former Austrian Empire,*] on the other part, shall be considered as cancelled as from the date of the declaration [*existence of a state*] of war between Germany [*the former Austro-Hungarian Monarchy*] and the Allied or Associated Power. But, in any case, the former beneficiary of a contract of this kind shall have the right, within a period of six months after the coming into force of the present Treaty, to demand from the proprietor of the rights the grant of a new licence, the conditions of which, in default of agreement between the parties, shall be fixed by the duly qualified tribunal in the country under whose legislation the rights had been acquired, except in the case of licences held in respect of rights acquired under German law [*the law of the former Austrian Empire*]. In such cases the conditions shall be fixed by the Mixed Arbitral Tribunal referred to in Section VI of this Part. The tribunal may, if necessary, fix also the amount which it may deem just should be paid by reason of the use of the rights during the war.

No licence in respect of industrial, literary or artistic property, granted under the special war legislation of any Allied or Associated Power, shall be affected by the continued existence of any licence entered into before the war, but shall remain valid and of full effect, and a licence so granted to the former beneficiary of a licence entered into before the war shall be considered as substituted for such licence.

Where sums have been paid during the war [*in respect of the rights of persons referred in Article 249 (b)*] by virtue of a licence or agreement concluded before the war in respect of rights of

industrial property or for the reproduction or the representation of literary, dramatic or artistic works, these sums shall be dealt with in the same manner as other debts or credits of German nationals, [*such persons*] as provided by the present Treaty.

This Article shall not apply as between the United States of America on the one hand and Germany [*Austria*] on the other.

#### ARTICLE 311

The inhabitants of territories separated from Germany by virtue of the present Treaty shall, notwithstanding this separation and the change of nationality consequent thereon, continue to enjoy in Germany all the rights in industrial, literary and artistic property to which they were entitled under German legislation at the time of the separation.

Rights of industrial, literary and artistic property which are in force in the territories separated from Germany under the present Treaty at the moment of the separation of these territories from Germany, or which will be re-established or restored in accordance with the provisions of Article 306 of the present Treaty, shall be recognized by the State to which the said territory is transferred and shall remain in force in that territory for the same period of time given them under the German law.

## CHAPTER V

### A COMPARATIVE SYNOPSIS OF THE ECONOMIC SECTIONS OF THE TREATIES OF NEUILLY AND TRIANON

#### A. TREATY OF NEUILLY

##### SECTION III—DEBTS

###### ARTICLE 176

This is *mutatis mutandis* identical with Article 296 of the Treaty of Versailles (see p. 252), except for certain variations in the last paragraph of 4 (*d*), which paragraph follows the wording of the corresponding paragraph in the Treaty of St. Germain (see p. 254).

###### ANNEX

This is identical with the Annex to Section III of Part X of the Treaty of Versailles (see p. 254).

##### SECTION IV—PROPERTY, RIGHTS AND INTERESTS

###### ARTICLE 177

This article corresponds *mutatis mutandis* with Article 297 of the Treaty of Versailles (see p. 259) with the following exceptions :—

(1) At the end of (*a*) the following sentence is added :

“The Bulgarian Government will revoke all legislative or administrative provisions which it may have made during the war forbidding companies of Allied and Associated nationality or companies in which Allied or Associated nationals are interested to enjoy the benefit of concessions or contracts in Bulgaria.”

(2) After the words “measures of transfer” in the first sentence of (*d*) the following words are introduced : “put into operation by the Allied and Associated Powers.”

(3) At the end of (*d*) the following passage is introduced :

“If, however, in the States referred to in paragraph (*i*) of this Article measures prejudicial to the property, rights and interests of Bulgarian nationals and not in accordance with the local law have been taken, the Bulgarian proprietor shall be entitled to compensation for the damage caused to him. This compensation shall be fixed by the Mixed Arbitral Tribunal provided for by

Section VI. The same measures and all others affecting the property, rights and interests of nationals of the Allied and Associated Powers—notably, acts of requisition or seizure, where-soever effected, by the civil or military authorities, the troops or the population of Bulgaria, or effected in Bulgaria by the civil or military authorities or the troops of the Powers allied with Bulgaria—are declared void, and the Bulgarian Government will take all measures necessary for the restoration of such property, rights and interests.”

(4) In (e) “September 20, 1915,” is substituted for “August 1, 1914.”

(5) The second paragraph of (h) (2) is numbered (i), and after the words “Allied or Associated Powers” the words “or in States to which Bulgarian territory is transferred by the present Treaty” are inserted.

(6) Paragraph (j) of the Treaty of Versailles is numbered (k) and “September 29, 1918,” is substituted for the date in that paragraph.

#### ARTICLE 178

This is *mutatis mutandis* identical with Article 298 of the Treaty of Versailles (see p. 263).

#### ARTICLE 179<sup>1</sup>

Diplomatic or consular claims made before the war by the Representatives or Agents of the Allied and Associated Powers with regard to the private property, rights or interests of nationals of those Powers shall, on the application of the Power concerned, be submitted to the Mixed Arbitral Tribunal provided for in Section VI.

#### ANNEX

This is *mutatis mutandis* identical with the Annex to Section IV of Part X of the Treaty of Versailles (see p. 263) with the following exceptions:—

In clause (1) the words “Allied and Associated Powers” are substituted for the words “High Contracting Parties” wherever they occur.

The last paragraph of clause (1) relating to measures in invaded territory is omitted.

In clause (4) “October 11, 1915,” is substituted for “July 31, 1914.”

In clause (10) “September 1, 1915,” is substituted for “July 1, 1914.”

In clause (11) the words “declaration of war” are replaced by the words “existence of a state of war.”

Before the words “the said provisions” at the end of the last sentence of the second paragraph of clause (14) the words “one or more of” are inserted.

<sup>1</sup> There is no corresponding Article to this in the other Treaties.



## SECTION V—CONTRACTS, PRESCRIPTIONS, JUDGMENTS

## ARTICLE 180

This is *mutatis mutandis* identical with Article 299 of the Treaty of Versailles (see p. 268).

ARTICLE 181 <sup>1</sup>

Transfers of territory under the present Treaty shall not prejudice the private rights referred to in the Treaties of Constantinople, 1913, of Athens, 1913, and of Stamboul, 1914.

Transfers of territory by or to Bulgaria under the present Treaty shall similarly and to the same extent ensure the protection of these private rights.

In case of disagreement as to the application of this Article the difference shall be submitted to an arbitrator appointed by the Council of the League of Nations.

ARTICLE 182 <sup>1</sup>

Concessions, guarantees of receipts, and rights of exploitation in Bulgarian territory as fixed by the present Treaty in which nationals of the Allied and Associated Powers, or companies or associations controlled by such nationals, are interested may in case either of abnormal conditions of working or of dispossession resulting from conditions or measures of war be extended on the application of the interested party, which must be presented within three months from the coming into force of the present Treaty, for a period to be determined by the Mixed Arbitral Tribunal, which shall take account of the period of dispossession or of abnormal conditions of working.

All arrangements approved or agreements come to before the entry of Bulgaria into the war between the Bulgarian authorities and companies or associations controlled by Allied financial groups are confirmed. Nevertheless, periods of time, prices and conditions therein laid down may be revised having regard to the new economic conditions. In case of disagreement the decision shall rest with the Mixed Arbitral Tribunal.

## ARTICLE 183

This is *mutatis mutandis* identical with Article 300 of the Treaty of Versailles (see p. 268).

## ARTICLE 184

This is identical with Article 301 of the Treaty of Versailles (see p. 270).

<sup>1</sup> There is no corresponding Article to this in the other Treaties.

## ARTICLE 185

This is *mutatis mutandis* identical with Article 254 of the Treaty of St. Germain (see p. 270).

ARTICLE 186 <sup>1</sup>

Any company incorporated in accordance with some law other than that of Bulgaria owning property, rights or interests in Bulgaria, which is now or shall hereafter be controlled by nationals of the Allied and Associated Powers, shall have the right, within five years from the coming into force of the present Treaty, to transfer its property, rights and interest to another company incorporated in accordance with Bulgarian law or the law of one of the Allied and Associated Powers whose nationals control it; and the company to which the property is transferred shall continue to enjoy the same rights and privileges which the other company enjoyed under the laws of Bulgaria and the terms of the present Treaty. This company shall not be subjected to any special tax on account of this transfer.

## ARTICLE 187

This is *mutatis mutandis* identical with Article 303 of the Treaty of Versailles (see p. 271).

## ANNEX

This is *mutatis mutandis* identical with the Annex to Section V of the Treaty of Versailles (see p. 271) with the following exceptions:—

At the end of clause (2) (e) the following words are added: "including contracts and concessions concluded or accorded by the Turkish Government in the territories ceded by the Turkish Empire to Bulgaria before the coming into force of the present Treaty."

Clause (4) (c) of the Annex to Section V in the Treaty of Versailles is omitted.

Clause (12) of the Annex to Section V in the Treaty of Versailles is omitted, and the last three paragraphs of clause (11) (Treaty of Versailles) constitute clause 12 (Treaty of Neuilly). The second paragraph of clause (22) (Treaty of Versailles) is omitted from the Treaty of Neuilly.

## SECTION VI—MIXED ARBITRAL TRIBUNAL

## ARTICLE 188

This is *mutatis mutandis* identical with Article 304 of the Treaty of Versailles (see p. 276) except that in (b) Section VIII is added to the sections referred to.

## ANNEX

This is *mutatis mutandis* identical with the Annex to Section VI of the Treaty of Versailles (see p. 277) except that the words "or Japanese" in clause (8) are omitted.

<sup>1</sup> There is no corresponding Article to this in the other Treaties.

## ARTICLE 189

This is *mutatis mutandis* identical with Article 305 of the Treaty of Versailles (see p. 278) except that Section VIII is added to the Sections referred to.

## SECTION VII—INDUSTRIAL PROPERTY

## ARTICLE 190

This is *mutatis mutandis* identical with Article 258 of the Treaty of St. Germain (see p. 278).

## ARTICLE 191

This is *mutatis mutandis* identical with Article 307 of the Treaty of Versailles (see p. 280).

## ARTICLE 192

This is *mutatis mutandis* identical with Article 261 of the Treaty of St. Germain (see p. 281).

## ARTICLE 193

This is *mutatis mutandis* identical with Article 262 of the Treaty of St. Germain (see p. 282).

## ARTICLE 194

This is *mutatis mutandis* identical with Article 311 of the Treaty of Versailles (see p. 283).

ARTICLE 195 <sup>1</sup>

A special convention shall determine all questions relative to the records, registers and copies in connexion with the protection of industrial, literary or artistic property, and fix their eventual transmission or communication by the Bulgarian Offices to the Offices of the States to which Bulgarian territory is transferred.

## B. TREATY OF TRIANON

## SECTION III—DEBTS

## ARTICLE 231

This is *mutatis mutandis* identical with Article 248 of the Treaty of St. Germain (see p. 252).

## ANNEX

The clauses of this annex are *mutatis mutandis* identical with those of the Annex to Section III of the Treaty of St. Germain, except that Clause 11 provides that the balance between the

<sup>1</sup> There is no corresponding Article to this in any of the other Treaties.

Clearing Offices shall be struck every three months instead of monthly, and that the credit balance shall be paid by the debtor State within one month instead of within a week (see p. 254).

## SECTION IV—PROPERTY, RIGHTS AND INTERESTS

## ARTICLE 232

This article is *mutatis mutandis* identical with Article 249 of the Treaty of St. Germain, except that it contains the following additional paragraphs (see p. 259):—

II. Subject to the preceding provisions, all measures other than those above referred to taken by the *de jure* or *de facto* authorities in the territory of the former Kingdom of Hungary between November 3rd, 1918, and the coming into force of the present Treaty, and causing injury to the property, rights and interests of the Allied and Associated Powers or their nationals, including companies and associations in which they were interested, are declared null and void.

The provisions of paragraphs (a), (e), (f), (h) and (k)<sup>1</sup> above apply to property, rights and interests which belong to nationals of the Allied and Associated Powers, including companies and associations in which they were interested, and which have been the subject of injurious measures such as expropriation, confiscation, seizure, requisition, destruction or deterioration effected as the result either of laws or regulations or of acts of violence on the part of the *de jure* or *de facto* authorities which have existed in Hungary, or of the Hungarian population.

III. Companies and associations include in particular the Orthodox Greek communities established in Buda-Pest and other Hungarian towns, as well as pious and other foundations, when nationals of the Allied and Associated Powers are interested in such communities or foundations.

IV. No forfeiture on account of failure to complete any formality or make any declaration imposed by Hungarian laws or decrees promulgated since the Armistice and before the coming into force of the present Treaty shall be valid as against nationals of the Allied and Associated Powers, including companies and associations in which they were interested.

## ARTICLE 233

This is *mutatis mutandis* identical with Article 250 of the Treaty of St. Germain (see p. 263).

## ANNEX

The clauses of this Annex are *mutatis mutandis* identical with those of the Annex to Section IV of the Treaty of St. Germain (see p. 263).

<sup>1</sup> The provisions here referred to correspond with paragraphs (a), (e), (f), first paragraph of (h) and (j), in Treaty of Versailles (see p. 259 et seq.).



## SECTION V—CONTRACTS, PRESCRIPTIONS AND JUDGMENTS

## ARTICLE 234

This is *mutatis mutandis* identical with Article 251 of the Treaty of St. Germain (see p. 268).

## ARTICLE 235

This is *mutatis mutandis* identical with Article 252 of the Treaty of St. Germain (see p. 268).

## ARTICLE 236

This is *mutatis mutandis* identical with Article 253 of the Treaty of St. Germain (see p. 270).

## ARTICLE 237

This is *mutatis mutandis* identical with Article 254 of the Treaty of St. Germain (see p. 270).

## ARTICLE 238

This is *mutatis mutandis* identical with Article 255 of the Treaty of St. Germain (see p. 271).

## ANNEX

The clauses of this Annex are *mutatis mutandis* identical with those of the Annex to Section V of the Treaty of St. Germain (see p. 271).

## SECTION VI—MIXED ARBITRAL TRIBUNAL

## ARTICLE 239

This is *mutatis mutandis* identical with Article 256 of the Treaty of St. Germain (see p. 276).

## ANNEX

The clauses of this Annex are *mutatis mutandis* identical with those of the Annex to Section VI of the Treaty of St. Germain (see p. 277).

## SECTION VII—INDUSTRIAL PROPERTY

## ARTICLE 241

This is *mutatis mutandis* identical with Article 258 of the Treaty of St. Germain (see p. 278).

## ARTICLE 242

This is *mutatis mutandis* identical with Article 259 of the Treaty of St. Germain (see p. 280).

## ARTICLE 243

This is *mutatis mutandis* identical with Article 260 of the Treaty of St. Germain (see p. 281).

## ARTICLE 244

This is *mutatis mutandis* identical with Article 261 of the Treaty of St. Germain (see p. 281).

## ARTICLE 245

This is *mutatis mutandis* identical with Article 262 of the Treaty of St. Germain (see p. 282).

NOTE.—The following table indicates the numbers of the corresponding articles of all four Treaties:—

Treaty of Versailles.	Treaty of St. Germain.	Treaty of Neuilly.	Treaty of Trianon.
296	248	176	231
297	249	177	232
298	250	178	233
—	—	179	—
299	251	180	234
—	—	181	—
—	—	182	—
300	252	183	235
301	253	184	236
302	254	185	237
—	—	186	—
303	255	187	238
304	256	188	239
305	257	189	240
306	258	190	241
307	259	191	242
308	260	—	243
309	261	192	244
310	262	193	245
311	—	194	—
—	—	195	—

## CHAPTER VI

### TREATY OF PEACE ORDERS (CONSOLIDATED)

#### THE TREATY OF PEACE ORDERS, 1919 TO 1921

(I.e. the Treaty of Peace Order, 1919, as amended by the Treaty of Peace Amendment Order, 1920, the Treaty of Peace (Amendment) (No. 2) Order, 1920, the Treaty of Peace (Amendment) Order, 1921, and the Treaty of Peace (Amendment) (No. 2) Order, 1921.)

NOTE.—The amendments introduced by the Treaty of Peace (Amendment) Order, 1920, are printed in italics. The amendments introduced by the Treaty of Peace (Amendment) (No. 2) Order, 1920, are underlined. The amendment introduced by the Treaty of Peace (Amendment) Order, 1921, is printed in thick type. The Amendment introduced by the Treaty of Peace (Amendment) (No. 2) Order, 1921, is printed in italics and underlined.

#### PRESENT,

#### The King's Most Excellent Majesty in Council

Whereas at Versailles on the twenty-eighth day of June, nineteen hundred and nineteen, a Treaty of Peace (hereinafter referred to as "the Treaty") was signed on behalf of His Majesty :

And whereas by the Treaty of Peace Act, 1919, it was provided that His Majesty might make such appointments, establish such offices, make such Orders in Council and do such things as appeared to him to be necessary for carrying out the Treaty, and for giving effect to any of the provisions of the Treaty, and that any Order in Council made under that Act might provide for the imposition by summary process or otherwise of penalties in respect of breaches of the provisions thereof :

And whereas the Treaty contained the Sections set out in the Schedule to this Order, and it is expedient that for giving effect to those Sections the provisions hereinafter contained should have effect :

And whereas by Treaty grant usage sufferance or other lawful means His Majesty has power and jurisdiction in British Protectorates, and is pleased by virtue and in exercise of the powers

vested in Him by the Foreign Jurisdiction Act, 1890, or otherwise to extend the provisions of this Order to such Protectorates :

Now, therefore, His Majesty, by and with the advice of His Privy Council, is pleased to order, and it is hereby ordered, as follows :—

1. The Sections of the Treaty set out in the Schedule to this Order<sup>1</sup> shall have full force and effect as law, and for the purpose of carrying out the said Sections the following provisions shall have effect :—

- (i) There shall be established in the United Kingdom a Clearing Office under the control and management of such person (hereinafter referred to as the Controller) as the Board of Trade may appoint for the purpose, and there shall be attached thereto such officers and servants as the Board of Trade, subject to the consent of the Treasury as to number, may determine, and there shall be paid to the Controller and to such Officers and servants such salaries or other remuneration as the Treasury may determine.

In the event of a local office being established in any part of His Majesty's dominions outside the United Kingdom or in any Protectorate, the provisions relating to the Clearing Office hereinafter contained shall apply thereto for the purpose of the functions authorized to be performed by a local Clearing Office under paragraph 1 of the Annex to Section III of Part X of the Treaty.

- (ii) It shall not be lawful for any person to pay or accept payment of any enemy debt except in cases where recovery thereof in a court of law is allowed as hereinafter provided, otherwise than through the Clearing Office, and no person interested in any such debt as debtor or creditor shall have any communications with any other person interested therein as creditor or debtor except through or by leave of the Clearing Office, and if any person contravenes this provision he shall be guilty of an offence and liable to be proceeded against and punished as if he had been guilty of the offence of trading with the enemy, and section one of the Trading with the Enemy Act, 1914, shall apply accordingly.
- (iii) It shall not be lawful for any person to take proceedings in any court for the recovery of any enemy debt except in the circumstances provided under paragraphs 16, 23 and 25 of the Annex to the said Section III.
- (iv) The Clearing Office shall have power to enforce the payment of any enemy debt against the person by whom the debt is due, together with such interest as is payable under paragraph 22 of the Annex to the said

<sup>1</sup> In place of " Act " in the Order as originally worded.



Section III, and for that purpose shall have all such rights and powers as if they were the creditor; and if the debt has been admitted by the debtor or the debt or amount thereof has been found by arbitration or by the Mixed Arbitral Tribunal or by a court of law in manner provided by paragraph 16 of the Annex to the said Section III, the Clearing Office may certify the amount so admitted or found due, together with such interest as aforesaid, and on production to the proper officer of the Supreme Court of the part of His Majesty's Dominions or the Protectorate in which the debtor resides of such certificate, the certificate shall be registered by that officer and shall from the date of such registration be of the same force and effect, and all proceedings may be taken thereon, as if the certificate were a judgment obtained in that court for the recovery of a debt of the amount specified in the certificate and entered upon the date of such registration, and all reasonable costs and charges attendant upon the registration of such certificate shall be recoverable in like manner as if they were part of such judgment.

- (v) It shall be lawful for the Clearing Office to recover from any person by whom a fine is payable under paragraph 10 of the Annex to the said Section III the amount of such fine.
- (vi) It shall be lawful for the Clearing Office to deduct from any sum payable by the Clearing Office to a creditor or any other person such commission, not exceeding two-and-a-half per cent. of the amount payable, as may be fixed by the Clearing Office.
- (vii) If any creditor refuses or fails to give such notice or to furnish such documents or information as are mentioned in paragraph 5 of the Annex to the said Section III he shall, on summary conviction, be liable to a fine not exceeding ten pounds, and where, under the provisions contained in the said Annex, the creditor has notified an enemy debt as due to him and the debt so notified has been admitted or found due to that creditor under the said provisions, payment by the Clearing Office of the sum credited to it in respect of that debt shall be made only to the creditor by or on whose behalf the debt was so notified, except that in the event of the death, bankruptcy, liquidation, or lunacy of the said creditor, payment by the Clearing Office shall be made to the person entitled by law to stand in his place.
- (viii) If any person collusively gives notice of or admits any debt which is not due, or furnishes any false information

with respect to any debt, he shall, on summary conviction, be liable to a fine not exceeding one hundred pounds or to imprisonment for a term not exceeding three months, or to both such imprisonment and fine.

- (ix) If His Majesty so agrees with any of the other Allied or Associated Powers the provisions of this Order, so far as they relate to enemy debts, shall apply to debts due to or from the nationals of that Power resident in any part of His Majesty's Dominions or Protectorates in like manner as they apply to debts due to or from British nationals so resident.
- (x) Proceedings by and on behalf of the Clearing Office may be taken by and in the name of the Controller of the Clearing Office, who may by that name sue and be sued, and costs may be awarded to or against the Controller. *The Clearing Office may make rules, subject to the approval of the President of the Board of Trade, for prescribing the manner in which the powers and duties conferred upon the Clearing Office by this Order shall be exercised.*<sup>1</sup>
- (xi) Every document purporting to be an order or other instrument issued by the Clearing Office and to be signed by the Controller or by the secretary or other person authorized by the Controller shall be received in evidence and shall be deemed to be such order or instrument without further proof unless the contrary is shown. *In any proceeding by the Clearing Office to enforce payment of a debt or fine, a report purporting to be signed by the Controller or by the secretary shall be evidence of the facts therein stated.*
- (xii) A certificate signed by the Controller that an order or other instrument purporting to be made or issued by the Clearing Office is so made or issued shall be conclusive evidence of the facts so certified.
- (xiii) The Documentary Evidence Act, 1868, as amended by any subsequent enactment, shall apply to the Clearing Office in like manner as if the Clearing Office were mentioned in the first column of the First Schedule to that Act, and as if the Controller or Secretary of the Clearing Office or any person authorized by the Controller to act on his behalf were mentioned in the second column of that Schedule, and as if the regulations

<sup>1</sup> In the case of the estate of Gustav Bluhm, deceased, a grant of administration *ad colligenda bona* was granted to the Controller of the Clearing Office in his official capacity, limited to the collection, getting in and receiving of a sum due to the deceased in respect of a pre-war debt within the meaning of Article 296 of the Treaty due by a British firm to the deceased, and to the application of the said sum in accordance with the Treaty of Versailles and the Treaty of Peace Order, 1919, but no further or otherwise. (See *Solicitor's Journal*, vol. lxxv, 1920, p. 136.)

referred to in that Act included any documents issued by or on behalf of the Clearing Office.

- (xiv) All decisions of the Mixed Arbitral Tribunal constituted under Section VI of Part X of the Treaty, if within the jurisdiction of that tribunal, shall be final and conclusive and binding on all courts.
- (xivA) *The Clearing Office<sup>1</sup> may undertake on behalf of a British national the presentation to and conduct before the Mixed Arbitral Tribunal of any claim, difference or dispute referable to the Tribunal under the provisions of Sections IV, V and VII of Part X of the Treaty, and may make regulations with the consent of the Treasury in respect of the fees to be charged in respect of such services.*
- (xv) For the purpose of enforcing the attendance of witnesses before the Mixed Arbitral Tribunal, wherever sitting, whether within or without His Majesty's Dominions, and compelling the production before the tribunal of documents, a Secretary of State shall have power to issue orders which shall have the like effect as if the proceedings before the tribunal were an action in a court and the order were a formal process issued by that court in the due exercise of its jurisdiction, and shall be enforceable by that court accordingly, and disobedience to any such order shall be punishable as contempt of court.
- (xvi) All property, rights and interests within His Majesty's Dominions or Protectorates belonging to German nationals at the date when the Treaty comes into force (not being property rights or interests acquired under any general licence issued by or on behalf of His Majesty), and the net proceeds of their sale, liquidation or other dealings therewith, are hereby charged—

(a) in the first place, with payment of the amounts due in respect of claims by British nationals with regard to their property, rights and interests, including companies and associations in which they are interested in German territory, or debts owing to them by German nationals, and with payment of any compensation awarded by the Mixed Arbitral Tribunal, or by an arbitrator appointed by that Tribunal in pursuance of paragraph (e) of Article 297, and with payment of claims growing out of acts committed by the German Government or by German authorities since the thirty-first day of July, and before the fourth day of August, nineteen hundred and fourteen, *but so nevertheless that the claims of British nationals for the proceeds of the liquidation of their property, rights and interests mentioned*

<sup>1</sup>The Treaty of Peace (Amendment) (No. 2) Order substituted "Clearing Office" for "Board of Trade."



*in Section IV of Part X of the Treaty and in the Annex thereto, and for the enemy debts owing to them referred to in Article 296 of the Treaty, shall rank in priority to any of the other claims above mentioned.*

(b) secondly, with payment of the amounts due in respect of claims by British nationals with regard to their property, rights and interests in the territories of Austria-Hungary, Bulgaria and Turkey, in so far as those claims are not otherwise satisfied.

Provided that any particular property, rights or interests so charged may at any time be released by the Custodian acting under the general direction of the Board of Trade from the charge so created.<sup>1</sup>

(xvii) With a view to making effective and enforcing such charge as aforesaid—

(a) no person shall, without the consent of the Custodian, acting under the general direction of the Board of Trade, transfer, part with or otherwise deal in any property, right or interest subject to the charge, and if he does so he shall be liable on summary conviction to a fine not exceeding one hundred pounds or to imprisonment for a term not exceeding three months or to both such imprisonment and fine ;

(aa) The Court may on the application of the Clearing Office or the Custodian require any person known or suspected to have in his possession or under his control or management any property, right or interest subject to the charge, including any person known or suspected to owe a debt to a German national, or any person whom the Court may consider capable of giving information respecting the same, subject to payment or tender of reasonable expenses of his attendance, to attend as a witness and to give evidence or produce documents before the Court or before such officer as the Court may appoint for the purpose of examining into the matter, who shall have power to take evidence and administer oaths, and if any person fails without reasonable excuse to comply with any of the provisions of the order, or wilfully gives false evidence, he shall, on summary conviction, be liable to a fine not exceeding one hundred pounds, or to imprisonment for a term not exceeding three months, or to both such imprisonment and fine.

For the purposes of this paragraph "the court" means the High Court or a judge thereof, or the County Court, or in Scotland the Court of Session or the sheriff court.

(b) every person owning or having the control or management of any property right or interest subject

<sup>1</sup> In the Order as originally worded this proviso read as follows: "Provided that any particular property rights or interests so charged may at any time, if His Majesty thinks fit, be released from the charge so created."



to the charge (including where the property right or interest consists of shares stocks or other securities issued by a company municipal authority or other body or any right or interest therein such company authority or body) shall, unless particulars thereof have already been furnished to the Custodian in accordance with the Trading with the Enemy Acts, 1914 to 1918, within one month from the date when this Order comes into operation by notice in writing communicate the fact to the Custodian, and shall furnish the Custodian with such particulars in relation thereto as the Custodian may require, and if any person fails to do so he shall, on summary conviction be liable to a fine not exceeding one hundred pounds ;

(c) where the property charged consists of inscribed or registered stock, shares or other securities, any company, municipal authority or other body by whom the securities were issued or are managed shall, on application being made by the Custodian, *notwithstanding any regulation or stipulation of the company or other body, and notwithstanding that the Custodian is not in possession of the certificate, scrip or other document of title relating to the shares, stock, or securities to which the application relates*, enter the Custodian in the books in which the securities are inscribed or registered as the proprietor of the securities subject to the charge, and the Custodian shall, subject to the consent of the Board of Trade, have power to sell or otherwise deal with the securities as proprietor of which he is so registered or inscribed, and to require any person having in his possession any documents of title to any such stock, shares or other securities to deliver the same to him, and an acknowledgment signed by him of such delivery to him, shall be a sufficient discharge to the person delivering the same ;

*(cc) where the property charged consists of property transferable on delivery, any person having the possession, control, or management of the property shall, on being so required by the Custodian, deliver the property to him, and the Custodian shall, subject to the consent of the Board of Trade, have power to sell or otherwise deal with the property so delivered to him ;*

(ccc) where the property, right or interest subject to the charge, consists of any sum of money due to a German national (not being an enemy debt within the meaning of Article 296 of the Treaty) it shall be payable to the Custodian, and shall be paid to him on demand, and the Custodian shall have power to enforce the

payment thereof, and for that purpose shall have all such rights and powers as if he were the creditor ;

(cccc) a certificate by the Custodian that any property, right or interest is subject to the charge shall be sufficient evidence of the facts stated in the certificate, and where any such application, requirement or demand of the Custodian as aforesaid is accompanied by such a certificate, the company, municipal authority or other body by whom the securities were issued or are managed, the person in possession of the property transferable by delivery, or the person by whom a sum of money is due shall comply with the application, requirement or demand, and shall not be liable to any action or other legal proceeding in respect of such compliance, but if it is subsequently proved that the property, right or interest was not subject to the charge, the owner thereof shall be entitled to recover the same from the Custodian or if it has been sold the proceeds of sale but not to any other remedy ;

(d) the Board of Trade may by order vest in the Custodian any property, rights and interests subject to the charge, or the right to transfer the same, and for that purpose subsection (1) to (4) of section four of the Trading with the Enemy (Amendment) Act, 1916, shall apply as if such property, rights and interests were property belonging to an enemy or enemy subject ;

(e) if any person called upon to pay any money or to transfer or otherwise to deal with any property, rights or interests has reason to suspect that the same are subject to such charge as aforesaid he shall before paying transferring or dealing with the same report the matter to the Custodian and shall comply with any directions that the Custodian may give with respect thereto ;

(f) the Custodian shall have power to charge such fees in respect of his duties under this paragraph, whether by way of percentage or otherwise, as the Treasury may fix, and the fees shall be collected and accounted for by such persons in such manner and shall be paid to such account as the Treasury direct, and the incidence of the fees as between capital and income shall be determined by the Custodian.

(xviii) The time at which the period of prescription or limitation of right of action referred to in Article 300 shall begin again to run shall be at the expiration of six

months after the coming into force of the Treaty, and the period to be allowed within which presentation of negotiable instruments for acceptance or payment and notice of non-acceptance or non-payment or protest may be made under Article 301<sup>1</sup> shall be nineteen<sup>2</sup> months from the coming into force of the Treaty.

- (xix) Rules made during the war by any recognized Exchange or Commercial Association providing for the closure of contracts entered into before the war by an enemy and any action taken thereunder are hereby confirmed subject to the provisos contained in paragraph 4 (a) of the Annex to Section V of Part X of the Treaty.
- (xx) There shall be imposed on rights of industrial, literary or artistic property (with the exception of trade marks) acquired before or during the war, or which may be acquired hereafter, by German nationals, such limitations, conditions or restrictions as the Board of Trade may prescribe, for the purpose, in the manner, in the circumstances, and subject to the limitations, contained in Article 306 of the Treaty, and any transfer in whole or in part or other dealing with any rights so acquired as aforesaid effected since the first day of August, nineteen hundred and fourteen, shall if and so far as it is inconsistent with any limitations conditions or restrictions so imposed be void and of no effect.
- (xxi) So far as may be necessary for the purpose of Article 307 the Patents, Designs, and Trade Marks (Temporary Rules) Act, 1914 (except paragraph (b) of section one of the Patents, Designs, and Trade Marks (Temporary Rules) (Amendment) Act, 1914), shall in relation to German nationals continue in force after the Treaty comes into force as if references therein to subjects of a State at war with His Majesty included references to German nationals.
- (XXI (a)) The Comptroller-General of Patents, Designs and Trade Marks shall have power and shall be deemed to have had power, as from the coming into force of the Treaty, in cases where patents and designs are revived under the provisions of Article 307 of the Treaty, to impose such conditions as he may deem reasonably necessary for the protection of persons who have manufactured or made use of the subject matter of such patents or designs while the rights had lapsed.
- (xxii) The duly qualified tribunal for the purposes of Article 310 of the Treaty shall be the Comptroller-General of Patents, Designs and Trade Marks.

<sup>1</sup> This was through an error "300" in the original Order.

<sup>2</sup> This in the original Order was "six." In the Treaty of Peace (Amendment) Order, 1920, it was changed to "ten." In the Treaty of Peace (Amendment) (No. 2) Order, 1920, it was again changed to "sixteen."



## 2. For the purposes of this Order—

The expression “ enemy debt ” has the meaning assigned to it by paragraph 2 of the Annex to Section III of Part X of the Treaty, and includes any sum which under the Treaty is to be treated or dealt with in like manner as an enemy debt :

The expression “ nationals ” in relation to any State includes the subjects or citizens of that State and any company or corporation incorporated therein according to the law of that State and in the case of a Protectorate the natives thereof :

The expression “ Custodian ” means the Custodian of enemy property appointed under the Trading with the Enemy (Amendment) Act, 1914.

The Interpretation Act, 1889, applies for the interpretation of this Order in like manner as it applies for the interpretation of an Act of Parliament, and as if this Order were an Act of Parliament.

3. This Order shall apply to the whole of His Majesty's Dominions and Protectorates, except India *and the self-governing Dominions, that is to say*, the Dominion of Canada, the Commonwealth of Australia (which for this purpose shall be deemed to include Papua and Norfolk Island), the Union of South Africa, the Dominion of New Zealand, and Newfoundland, but in its application to the parts of His Majesty's Dominions outside the United Kingdom and to British Protectorates shall be subject to such modifications as may be made by the legislatures of those parts or those Protectorates for adapting to the circumstances thereof the provisions of this Order.

Provided that such of the provisions of this Order as give effect to Section III of Part X of the Treaty shall not apply to Egypt.

*Provided also that if a local Clearing Office is established in India or in any self-governing Dominion, the provisions of this Order relating to the Clearing Office shall apply with respect to the relations between the Central Clearing Office and the local clearing office, and to transactions on behalf of the local clearing office which must be effected through the Central Clearing Office, or which may be effected by the Central Clearing Office at the request of the local clearing office.*

4. This Order shall come into operation on the date when the Treaty of Peace comes into force, but so much of this Order as relates to Section III of Part X of the Treaty and the Annex to that section shall cease to be in operation after the expiration of one month from the deposit of the ratifications of the Treaty by His Majesty, unless in the meantime the notification referred to in paragraph (e) of Article 296 has been given to Germany by His Majesty.

*Almeric FitzRoy.*

### *Schedule*

The sections of the Treaty of Versailles which are contained in the Schedule to this Order will be found on p. 252.



LICENCE, DATED JUNE 24, 1920, OF THE CONTROLLER OF THE BRITISH CLEARING OFFICE, UNDER SECTION 1 (ii) OF THE TREATY OF PEACE ORDER, 1919 (S.R. & O. 1919, No. 1517) AS TO COMMUNICATION BETWEEN CREDITORS AND DEBTORS OF BRITISH AND GERMAN NATIONALITY

As a result of communications which have passed between the British and German Clearing Offices, the practice regulating direct intercourse between British and German creditors and debtors upon the subject of their pre-war debts has been agreed upon, and the British Clearing Office, pursuant to Section 1 (ii) of the Treaty of Peace Order, 1919, hereby licenses such intercourse to the following extent namely :—

British creditors and debtors may communicate in writing with their German debtors and creditors direct with regard to pre-war debts or debts arising out of pre-war transactions or contracts, with the sole object of ascertaining the particulars of indebtedness between the parties, provided that no proposal or suggestion is made for the payment or settlement of such debts except through the Clearing Offices, and that the party so communicating shall retain true copies of such communications and the original replies thereto, and hand the same to the Controller on demand at any time.

Any direct communication outside the scope of this licence is an offence punishable by fine with or without imprisonment.

Dated the 24th day of June, 1920.

*Egerton S. Grey,*  
Controller.

Clearing Office for Enemy Debts,  
Cornwall House,  
Stamford Street, London, S.E.1.

TREATY OF PEACE (AUSTRIA) ORDERS, 1919 AND 1921

(I.e. The Treaty of Peace (Austria) Order, 1920, as amended by the Treaty of Peace (Austria) (Amendment) Order, 1921, and the Treaty of Peace (Austria) (No. 2) Amendment Order, 1921.)

NOTE.—The amendment introduced by the Treaty of Peace (Austria) (Amendment) Order, 1921, is printed in italics. The Amendments introduced by the Treaty of Peace (Austria) (No. 2) Amendment Order, 1921, are printed in thick type.

PRESENT,

The King's Most Excellent Majesty in Council.

Whereas at Saint Germain-en-Laye on the tenth day of September, nineteen hundred and nineteen, a Treaty of Peace (hereinafter referred to as "the Treaty") was signed on behalf of His Majesty :

And whereas by the Treaties of Peace (Austria and Bulgaria) Act, 1920 (see p. 251), it was provided that His Majesty might make such appointments, establish such offices, make such Orders in Council and do such things as appeared to him to be necessary for carrying out the Treaty, and for giving effect to any of the provisions of the Treaty, and that any Order in Council made under that Act might provide for the imposition by summary

process or otherwise of penalties in respect of breaches of the provisions thereof :

And whereas the Treaty contained the Sections set out in the Schedule to this Order, and it is expedient that for giving effect thereto the provisions hereinafter contained should have effect :

And whereas by Treaty, grant, usage, sufferance or other lawful means His Majesty has power and jurisdiction in British Protectorates, and is pleased by virtue and in exercise of the powers vested in Him by the Foreign Jurisdiction Act, 1890,<sup>1</sup> or otherwise to extend the provisions of this Order to such Protectorates :

Now, therefore, His Majesty, by and with the advice of His Privy Council, is pleased to order, and it is hereby ordered, as follows :—

1. The Sections of the Treaty set out in the Schedule to this Order shall have full force and effect as law, and for the purpose of carrying out the said Sections, the following provisions shall have effect :—

- (i) There shall be established in the United Kingdom a Clearing Office under the control and management of such person (hereinafter referred to as the Administrator) as the Board of Trade may appoint for the purpose.

In the event of a local office being established in any part of His Majesty's Dominions or in any Protectorate the provisions relating to the Clearing Office hereinafter contained shall apply thereto for the purpose of the functions authorized to be performed by a local clearing office under paragraph 1 of the Annex to Section III of Part X of the Treaty.

- (ii) It shall not be lawful for any person to pay or accept payment of any enemy debt except in cases where recovery thereof in a court of law is allowed as hereinafter provided, otherwise than through or by leave of the Clearing Office (which leave may be granted subject to such conditions including conditions as to the payment of fees, as the Clearing Office may think fit to impose), and no person interested in any such debt as debtor or creditor shall have any communications with any other person interested therein as creditor or debtor except through or by leave of the Clearing Office, and if any person contravenes this provision he shall be guilty of an offence and liable to be proceeded against and punished as if he had been guilty of the offence of trading with the enemy, and section one of the Trading with the Enemy Act, 1914, shall apply accordingly.
- (iii) It shall not be lawful for any person to take proceedings in any court for the recovery of any enemy debt except in the circumstances provided under paragraphs 16, 23 and 25 of the Annex to the said Section III.

- (iv) The Clearing Office shall have power to enforce the payment of any enemy debt against the person by whom the debt is due, together with such interest as is payable under paragraph 22 of the Annex to the said Section III, and for that purpose shall have all such rights and powers as if they were the creditor; and if the debt has been admitted by the debtor or the debt or amount thereof has been found by arbitration or by the Mixed Arbitral Tribunal or by a court of law in manner provided by paragraph 16 of the Annex to the said Section III, the Clearing Office may certify the amount so admitted or found due together with such interest as aforesaid, and on production to the proper officer of the Supreme Court of the part of His Majesty's Dominions or the Protectorate in which the debtor resides of such certificate, the certificate shall be registered by that officer and shall from the date of such registration be of the same force and effect, and all proceedings may be taken thereon, as if the certificate were a judgment obtained in that court for the recovery of a debt of the amount specified in the certificate and entered upon the date of such registration, and all reasonable costs and charges attendant upon the registration of such certificate shall be recoverable in like manner as if they were part of such judgment.
- (v) It shall be lawful for the Clearing Office to recover from any person by whom a fine is payable under paragraph 10 of the Annex to the said Section III the amount of such fine.
- (vi) If any creditor refuses or fails to give such notice or to furnish such documents or information as are mentioned in paragraph 5 of the Annex to the said Section III he shall, on summary conviction, be liable to a fine not exceeding ten pounds.
- (vii) If any person collusively gives notice of or admits any debt which is not due or furnishes any false information with respect to any debt, he shall, on summary conviction, be liable to a fine not exceeding one hundred pounds or to imprisonment for a term not exceeding three months or to both such imprisonment and fine.
- (viii) If His Majesty so agrees with any of the other Allied or Associated Powers, the provisions of this Order, so far as they relate to enemy debts, shall apply to debts due to or from the nationals of that Power resident in any part of His Majesty's Dominions or Protectorates in like manner as they apply to debts due to or from British nationals so resident.
- (ix) All property, rights and interests within His Majesty's Dominions or Protectorates belonging to nationals of



the former Austrian Empire at the date when the Treaty came into force (not being property, rights or interests acquired under any general licence issued by or on behalf of His Majesty), and the net proceeds of their sale, liquidation or other dealings therewith, are hereby charged—

(a) in the first place, with payment of the amounts due in respect of claims by British nationals (other than British nationals ordinarily resident in the self-governing Dominions, India and Egypt) with regard to their property, rights and interests (including companies and associations in which they are interested) in the territories of the former Austrian Empire, or debts owing to them by Austrian nationals, and with payment of any compensation awarded by the Mixed Arbitral Tribunal, or by an arbitrator appointed by that Tribunal in pursuance of paragraph (e) of Article 249 of the Treaty, and with payment of claims growing out of acts committed by the former Austro-Hungarian Government or by any Austrian authorities since the twenty-eighth day of July, and before the twelfth day of August, nineteen hundred and fourteen; and

(b) secondly, with payment of the amounts due in respect of claims by British nationals (other than British nationals ordinarily resident in the self-governing Dominions, India and Egypt) with regard to their property, rights and interests in the territories of Germany, Hungary, Bulgaria and Turkey, in so far as those claims are not otherwise satisfied:

Provided that any particular property, rights or interests so charged may at any time be released by the Administrator, acting under the general direction of the Board of Trade, from the charge so created.

Provided further that where it is alleged that any property, right or interest is not subject to the said charge by reason of its belonging to a person who is not a national of the former Austrian Empire within the meaning of this Order, the Administrator shall be entitled to make such charges as, subject to the consent of the Treasury, he may consider necessary to cover the costs incurred by him in investigating the allegation and in tracing and identifying the said property, right or interest.

(x) With a view to making effective and enforcing such charge as aforesaid—

(a) The Administrator shall have such powers and duties as are hereinafter provided;

(b) no person shall, without the consent of the Administrator, acting under the general direction of the Board of Trade, transfer, part with or otherwise deal in any property, right or interest subject to the charge, and if he does so he shall be liable on summary conviction to a fine not exceeding one hundred pounds



or to imprisonment for a term not exceeding three months or to both such imprisonment and fine ;

(c) every person owning or having the control or management of any property, right or interest, subject to the charge (including where the property, right or interest consists of shares, stocks or other securities issued by a company, municipal authority or other body, or any right or interest therein such company, authority or body) shall, unless particulars thereof have already been furnished to the Custodian in accordance with the Trading with the Enemy Acts, 1914 to 1918, within one month from the date of the making of this Order by notice in writing communicate the fact to the Administrator and shall furnish the Administrator with such particulars in relation thereto as the Administrator may require, and if any person fails to do so or furnishes any false information he shall on summary conviction be liable to a fine not exceeding one hundred pounds ;

(d) where the property charged consists of inscribed or registered stock, shares or other securities, any company, municipal authority or other body by whom the securities were issued or are managed shall on application being made by the Administrator, notwithstanding any regulation or stipulation of the company or other body, and notwithstanding that the Administrator is not in possession of the certificate, scrip or other document of title relating to the shares, stock or securities to which the application relates, enter the Administrator in the books in which the securities are inscribed or registered as the proprietor of the securities subject to the charge, and the Administrator shall have power to sell or otherwise deal with the securities as proprietor of which he is so registered or inscribed, and to require any person having in his possession any documents of title to any such stock, shares or other securities to deliver the same to him, and an acknowledgment of such delivery signed by him shall be a sufficient discharge to the person delivering the same.

(e) Where the property charged consists of property transferable on delivery, any person having the possession, control, or management of the property shall, on being so required by the Administrator deliver the property to him, and the Administrator shall have power to sell or otherwise deal with the property so delivered to him.

(ee) Where the property, right or interest subject to the charge consists of any sum of money due to an Austrian national (not being an enemy debt within the meaning of Article 248 of the Treaty) it shall be payable to the Administrator, and shall be paid to him on demand, and the Administrator shall have power to

enforce the payment thereof, and for that purpose shall have all such rights and powers as if he were the creditor.

(eee) A certificate by the Administrator that any property, right or interest is subject to the charge shall be sufficient evidence of the facts stated in the certificate, and where any such application, requirement or demand of the Administrator as aforesaid is accompanied by such a certificate, the company, municipal authority or other body by whom the securities were issued or are managed, the person in possession of the property transferable by delivery, or the person by whom a sum of money is due, shall comply with the application requirement or demand, and shall not be liable to any action or other legal proceeding in respect of such compliance, but if it is subsequently proved that the property, right or interest was not subject to the charge, the owner thereof shall be entitled to recover the same from the Administrator, or, if it has been sold, the proceeds of sale, but not to any other remedy.

(f) the Board of Trade may by order vest in the Administrator any property, right or interest subject to the charge, or the right to transfer the same, and for that purpose subsections (1) to (4) of section four of the Trading with the Enemy (Amendment) Act, 1916, shall apply as if property, rights and interests subject to the charge were property belonging to an enemy or enemy subject, and as if for references to the Custodian therein there were substituted references to the Administrator;

(g) the court may on the application of the Administrator require any person known or suspected to have in his possession or under his control any property, right or interest subject to the charge, including any person known or suspected to owe a debt to a national of the former Austrian Empire or any person who claims that any property, right or interest belonging to him is not subject to the charge by reason of his not being a national of the former Austrian Empire, or any person whom the court may consider capable of giving information with respect to the same, subject to payment or tender of reasonable expenses of his attendance, to attend as a witness and to give evidence or produce documents before the court or before such officer as the court may appoint for the purpose of examining into the matter, who shall have power to take evidence and administer oaths, and if any person fails without reasonable excuse to comply with any of the provisions of the order or wilfully gives false evidence he shall on summary conviction be liable to a fine not exceeding one hundred pounds or to imprisonment for a term not exceeding three months or to both such imprisonment and fine.

For the purposes of this paragraph "the court" means the High Court or a judge thereof or a county court or in Scotland the Court of Session or a sheriff court.

(h) if any person called upon to pay any money or

to transfer or otherwise to deal with any property, rights or interests has reason to suspect that the same are subject to such charge as aforesaid he shall before paying, transferring or dealing with the same report the matter to the Administrator and shall comply with any directions that the Administrator may give with respect thereto.

- (xi) There shall be paid to the Administrator such surplus proceeds of property, rights and interests charged under Section 1 (xvi) of the Treaty of Peace Order, 1919, as may be allocated in accordance with Article 1 (xvi) (b) of that Order to the payment of amounts due in respect of claims by British nationals with regard to their property, rights and interests in the territories of the former Austrian Empire.
- (xii) The Administrator shall, as respects property vested in or transferred to him under this Order, have all the rights and powers conferred upon or exercisable, as respects property vested in him, by a trustee in bankruptcy, whether with or without the permission of a committee of inspection or the leave of the court.
- (xiii) The Administrator shall apply the sums received by him in satisfaction of the claims, debts and compensation mentioned in subsection (ix) of this article.
- (xiv) The Clearing Office and the Administrator may, subject to the approval of the President of the Board of Trade, from time to time make, revoke or vary general rules and may by such rules prescribe forms for carrying into effect the provisions of this Order, and prescribe the time (not being less than six months after the coming into force of the Treaty) within which proofs of claims in order to rank must be made and the manner of making and proving the same.
- (xv) There shall be attached to the Clearing Office, and the Administrator shall be assisted by, such officers and servants as the Board of Trade, subject to the consent of the Treasury may determine, and there shall be paid to the Administrator and to such officers and servants such salaries or other remuneration as the Treasury may determine.
- (xvi) The Clearing Office, out of the money collected by them, and the Administrator, out of the property, rights, interests or proceeds thereof vested in or collected or received by him under this Order, shall retain such sums as, subject to the consent of the Treasury, the Clearing Office or Administrator may consider necessary to cover risks, expenses and commissions.
- (xvii) Proceedings by and on behalf of the Clearing Office and proceedings by the Administrator may be taken



by and in the name of the Administrator, who may by the name of the Administrator of Austrian property sue and be sued, and costs may be awarded to or against the Administrator.

- (xviii) Every document purporting to be an order or other instrument issued by the Clearing Office and to be signed by the Administrator or by the secretary of the Clearing Office or by any other person authorized by the Administrator, and every document purporting to be an order or other instrument issued by the Administrator and to be signed by him or by any other person authorized by him shall be received in evidence and shall be deemed to be such order or instrument without further proof unless the contrary is shown, and in any proceeding by the Clearing Office, or by the Administrator to recover a debt or fine, a report purporting to be signed by the Administrator or any other person authorized by him shall be evidence of the facts therein stated.
- (xix) A certificate signed by the Administrator that an order or other instrument purporting to be made or issued by the Clearing Office or by the Administrator is so made or issued shall be conclusive evidence of the facts so certified.
- (xx) The Documentary Evidence Act, 1868, as amended by any subsequent enactment, shall apply to the Clearing Office and to the Administrator in like manner as if they were respectively mentioned in the first column of the First Schedule to that Act, and as if the Administrator or any person authorized by him to act on his behalf were in relation both to the Clearing Office and the Administrator mentioned in the second column of that Schedule, and as if the regulations referred to in that Act included any documents issued by or on behalf of the Clearing Office or the Administrator.
- (xxi) All decisions of the Mixed Arbitral Tribunal constituted under Section VI of Part X of the Treaty, if within the jurisdiction of that tribunal, shall be final and conclusive and binding on all courts.
- (xxii) The Administrator may undertake on behalf of a British national the presentation to and conduct before the Mixed Arbitral Tribunal of any claim, difference or dispute referable to the Tribunal under the provisions of Sections IV, V and VII of Part X of the Treaty, and may make regulations with the consent of the Treasury in respect of the fees to be charged in respect of such services.
- (xxiii) For the purpose of enforcing the attendance of witnesses before the Mixed Arbitral Tribunal, wherever



sitting, whether within or without His Majesty's Dominions, and compelling the production before the tribunal of documents, a Secretary of State shall have power to issue orders which shall have the like effect as if the proceedings before the tribunal were an action in a court and the order were a formal process issued by that court in the due exercise of its jurisdiction, and shall be enforceable by that court accordingly, and disobedience to any such order shall be punishable as contempt of court.

- (xxiv) The time at which the period of prescription or limitation of right of action referred to in Article 252 of the Treaty shall begin again to run shall be at the expiration of six months after the coming into force of the Treaty, and the period to be allowed within which presentation of negotiable instruments for acceptance or payment and notice of non-acceptance or non-payment or protest may be made under Article 253 shall be eighteen <sup>1</sup> months from the coming into force of the Treaty.
- (xxv) Rules made during the war by any recognized Exchange or Commercial Association providing for the closure of contracts entered into before the war by an enemy and any action taken thereunder are hereby confirmed subject to the provisos contained in paragraph 4 (a) of the Annex to Section V of Part X of the Treaty.
- (xxvi) There shall be imposed on rights of industrial, literary or artistic property (with the exception of trade marks) acquired before or during the war, or which may be acquired hereafter, by or on behalf of Austrian nationals, such limitations, conditions or restrictions as the Board of Trade may prescribe for the purpose, in the manner, in the circumstances, and subject to the limitations, contained in Article 258 of the Treaty, and any transfer in whole or in part or other dealing with any rights so acquired as aforesaid effected since the twenty-eighth day of July, nineteen hundred and fourteen, shall if and so far as it is inconsistent with any limitations, conditions or restrictions so imposed be void and of no effect.
- (xxvii) So far as may be necessary for the purpose of Article 259 of the Treaty, the Patents, Designs and Trade Marks (Temporary Rules) Act, 1914 (except paragraph (b) of Section 1 of the Patents, Designs and Trade Marks (Temporary Rules) (Amendment) Act, 1914), shall in relation to Austrian nationals continue in force, and shall be deemed as from the date when the Treaty came into force to have continued in force, as if references

<sup>1</sup> This was "ten" in the original Order.

therein to subjects of a State at war with His Majesty included references to Austrian nationals.

(xxvii (a)) *The Controller-General of Patents, Designs and Trade Marks shall have power and shall be deemed to have had power, as from the coming into force of the Treaty in cases where patents and designs are revived under the provisions of Article 259 of the Treaty, to impose such conditions as he may deem reasonably necessary for the protection of persons who have manufactured or made use of the subject-matter of such patents or designs while the rights had lapsed.*

(xxviii) The duly qualified tribunal for the purposes of Article 262 of the Treaty shall be the Comptroller-General of Patents, Designs and Trade Marks.

2. For the purposes of the foregoing provisions of this Order, but not including the Schedule therein referred to—

The expression “enemy debt” has the meaning assigned to it by paragraph 2 of the Annex to Section III of Part X of the Treaty, and includes any sum which under the Treaty is to be treated or dealt with in like manner as an enemy debt.

The expression “nationals” in relation to any State includes the Sovereign or former Sovereign and the subjects or citizens of that State and any company or corporation incorporated therein according to the law of that State and in the case of a Protectorate the natives thereof:

The expression “nationals of the former Austrian Empire” does not include persons who, within six months of the coming into force of the Treaty show to the satisfaction of the Administrator that they have acquired *ipso facto* in accordance with its provisions nationality of an Allied or Associated power, including those who under Articles 72 or 76 of the Treaty obtained such nationality with the consent of the competent authorities, or who under Articles 74 or 77 thereof acquired such nationality by virtue of previous rights of citizenship.

The Interpretation Act, 1889, applies for the interpretation of this Order in like manner as it applies for the interpretation of an Act of Parliament, and as if this Order were an Act of Parliament.

3. This Order shall apply to the whole of His Majesty's Dominions and Protectorates, except India and Egypt and the self-governing dominions, that is to say, the Dominion of Canada, the Commonwealth of Australia (which for this purpose shall be deemed to include Papua and Norfolk Island), the Union of South Africa, the Dominion of New Zealand and Newfoundland, but in its application to the parts of His Majesty's Dominions outside the United Kingdom and to British Protectorates shall be subject to such modifications as may be made by the legislatures of those

parts or those Protectorates for adapting to the circumstances thereof the provisions of this Order.

Provided that if a local clearing office is established in India or in any self-governing Dominion, the provisions of this Order relating to the Clearing Office shall apply with respect to the relations between the Central Clearing Office and the local clearing office, and to transactions on behalf of the local clearing office which must be effected through the Central Clearing Office or which may be effected by the Central Clearing Office at the request of the local clearing office.

4. This Order shall be deemed to have come into operation as from the date when the Treaty of Peace came into force, that is to say the sixteenth day of July, nineteen hundred and twenty.

*Almeric FitzRoy.*

#### *Schedule*

The sections of the Treaty of St. Germain contained in this Order will be found on p. 252.

#### LICENCE, DATED OCTOBER 15, 1920, OF THE ADMINISTRATOR OF AUSTRIAN PROPERTY UNDER SECTION 1 (ii) OF THE TREATY OF PEACE (AUSTRIA) ORDER, 1920 (S.R. & O. 1920, No. 1613), AS TO COMMUNICATION BETWEEN CREDITORS AND DEBTORS OF BRITISH AND AUSTRIAN NATIONALITY

The Administrator of Austrian Property, pursuant to Section 1 (ii) of the Treaty of Peace (Austria) Order, 1920, hereby licenses direct communication between British creditors and Austrian debtors with regard to the adjustment of accounts or settlement of pre-war debts, or debts arising out of pre-war transactions or contracts, due by Austrian nationals to British nationals. The draft of the agreement embodying the terms of the proposed settlement must be submitted in duplicate to the Administrator for his approval and such approval in writing obtained before any such agreement can be entered into.

Apart from the penalties incurred by the breach of this licence, no agreement for the settlement of such debts or claims will be valid or binding on the parties in the absence of such written approval.

The Administrator also hereby licenses communication in writing between British debtors and Austrian creditors with regard to pre-war debts or debts arising out of pre-war transactions or contracts, with the sole object of ascertaining particulars of indebtedness between the parties, provided that no proposal or suggestion is made for the payment or settlement of such debts except through the Clearing Offices, and that the party so communicating shall retain true copies of such communications and the original replies thereto and hand the same to the Administrator on demand at any time.

Any direct communication outside the scope of this licence is an offence punishable by fine and/or imprisonment.

Dated this 15th day of October, 1920.

*E. S. Grey,*

Administrator of Austrian Property.

Cornwall House,  
Stamford Street,  
London, S.E.1.

TREATY OF PEACE (BULGARIA) ORDERS, 1920  
AND 1921

(I.e. The Treaty of Peace (Bulgaria) Order, 1920, as amended by the Treaty of Peace (Bulgaria) (Amendment) Order, 1921, and the Treaty of Peace (Bulgaria) (No. 2) Amendment Order, 1921.)

NOTE.—The amendment introduced by the Treaty of Peace (Bulgaria) (Amendment) Order, 1921, is printed in italics. The Amendments introduced by the Treaty of Peace (Bulgaria) (No. 2) Amendment Order, 1921, are printed in thick type.

## PRESENT,

The King's Most Excellent Majesty in Council

Whereas at Neuilly-sur-Seine on the twenty-seventh day of November, nineteen hundred and nineteen, a Treaty of Peace (hereinafter referred to as "the Treaty") was signed on behalf of His Majesty:

And whereas by the Treaties of Peace (Austria and Bulgaria) Act, 1920 (see p. 251), it was provided that His Majesty might make such appointments, establish such offices, make such Orders in Council and do such things as appeared to him to be necessary for carrying out the Treaty, and for giving effect to any of the provisions of the Treaty, and that any Order in Council made under that Act might provide for the imposition by summary process or otherwise of penalties in respect of breaches of the provisions thereof:

And whereas the Treaty contained the provisions set out in the Schedule to this Order, and it is expedient that for giving effect thereto the provisions hereinafter contained should have effect:

And whereas by Treaty, grant, usage, sufferance or other lawful means His Majesty has power and jurisdiction in British Protectorates, and is pleased by virtue and in exercise of the powers vested in Him by the Foreign Jurisdiction Act, 1890,<sup>1</sup> or otherwise to extend the provisions of this Order to such Protectorates:

Now, therefore, His Majesty, by and with the advice of His Privy Council, is pleased to order, and it is hereby ordered, as follows:—

1. The provisions of the Treaty set out in the Schedule to this Order shall have full force and effect as law, and for the purpose of carrying out those provisions the following provisions shall have effect:—

- (i) All property, rights and interests within His Majesty's Dominions or Protectorates belonging to Bulgarian nationals at the date when the Treaty came into force



(not being property, rights or interests acquired under any general licence issued by or on behalf of His Majesty), and the net proceeds of their sale, liquidation or other dealings therewith, are hereby charged—

(a) in the first place, with payment of the amounts due in respect of claims by British nationals (other than British nationals ordinarily resident in the self-governing Dominions, India and Egypt) with regard to their property, rights and interests (including companies and associations in which they are interested) in Bulgarian territory, or debts owing to them by Bulgarian nationals, and with payment of any compensation awarded by the Mixed Arbitral Tribunal, or by an arbitrator appointed by that Tribunal in pursuance of paragraph (e) of Article 177 of the Treaty, and with payment of claims growing out of acts committed by the Bulgarian Government or by any Bulgarian authorities since the eleventh and before the fifteenth day of October, nineteen hundred and fifteen; and

(b) secondly, with payment of the amounts due in respect of claims by British nationals (other than British nationals ordinarily resident in the self-governing Dominions, India and Egypt) with regard to their property, rights and interests in the territories of Germany, Austria, Hungary, and Turkey, in so far as those claims are not otherwise satisfied:

Provided that any particular property, rights or interests so charged may at any time be released by the Administrator hereinafter mentioned, acting under the general direction of the Board of Trade, from the charge so created:

Provided further that where it is alleged that any property, right or interest is not subject to the said charge by reason of its belonging to a person who has acquired *ipso facto* the nationality of an Allied or Associated Power in accordance with the provisions of the Treaty, the Administrator shall be entitled to make such charges as, subject to the consent of the Treasury, he may consider necessary to cover the costs incurred by him in investigating the allegation and in tracing and identifying the said property, right or interest.

- (ii) With a view to making effective and enforcing such charge as aforesaid—

(a) The Board of Trade may appoint an Administrator who shall have such powers and duties as are hereinafter provided;

(b) no person shall, without the consent of the Administrator, acting under the general direction of the Board of Trade, transfer, part with or otherwise deal in any property, right or interest subject to the charge, or pay any debt subject thereto, and if he does so he shall be liable on summary conviction to a fine not

exceeding one hundred pounds or to imprisonment for a term not exceeding three months or to both such imprisonment and fine ;

(c) every person owning or having the control or management of any property, right or interest, or owing any debt, subject to the charge (including where the property, right or interest consists of shares, stocks or other securities issued by a company, municipal authority or other body, or any right or interest therein, such company, authority or body) shall, unless particulars thereof have already been furnished to the Custodian in accordance with the Trading with the Enemy Acts, 1914 to 1918, within one month from the date of the making of this Order by notice in writing communicate the fact to the Administrator and shall furnish the Administrator with such particulars in relation thereto as the Administrator may require, and if any person fails to do so or furnishes any false information he shall on summary conviction be liable to a fine not exceeding one hundred pounds ;

(d) where the property charged consists of inscribed or registered stock, shares or other securities, any company, municipal authority or other body by whom the securities were issued or are managed shall on application being made by the Administrator, notwithstanding any regulation or stipulation of the company or other body, and notwithstanding that the Administrator is not in possession of the certificate, scrip or other document or title relating to the shares, stock or securities to which the application relates, enter the Administrator in the books in which the securities are inscribed or registered as the proprietor of the securities subject to the charge, and the Administrator shall have power to sell or otherwise deal with the securities as proprietor of which he is so registered or inscribed, and to require any person having in his possession any documents of title to any such shares, stock or other securities to deliver the same to him, and an acknowledgment of such delivery signed by him shall be a sufficient discharge to the person delivering the same.

(e) Where the property charged consists of property transferable on delivery, any person having the possession, control, or management of the property shall, on being so required by the Administrator deliver the property to him, and the Administrator shall have power to sell or otherwise deal with the property so delivered to him ;

(ee) A certificate by the Administrator that any property, right or interest is subject to the charge shall be sufficient evidence of the facts stated in the certificate and where any such application, requirement or demand of the Administrator as aforesaid is accompanied by such a certificate, the Company, Municipal Authority

or other body by whom the securities were issued or are managed, the person in possession of the property transferable by delivery, or the person by whom a sum of money is due, shall comply with the application, requirement or demand, and shall not be liable to any action or other legal proceeding in respect of such compliance, but if it is subsequently proved that the property, right or interest was not subject to the charge, the owner thereof shall be entitled to recover the same from the Administrator, or, if it has been sold, the proceeds of sale, but not to any other remedy.

(f) the Board of Trade may by order vest in the Administrator any property, right or interest subject to the charge, or the right to transfer the same, and for that purpose subsections (1) to (4) of section four of the Trading with the Enemy (Amendment) Act, 1916, shall apply as if property, rights and interests subject to the charge were property belonging to an enemy or enemy subject, and as if for references to the Custodian therein there were substituted references to the Administrator ;

(g) the Administrator shall have power to enforce the payment of any debt subject to the charge against the debtor, together with the interest prescribed by subsection (ix) of this article, and for that purpose shall have all such rights and powers as if he were the creditor, and if the debt has been admitted by the debtor, or the debt or the amount thereof has been found by arbitration or by the Mixed Arbitral Tribunal or by a court of law, the Administrator may certify the amount so admitted or found due, together with such interest as aforesaid, and on production to the proper officer of the Supreme Court of the part of His Majesty's Dominions or the Protectorate in which the debtor resides of such a certificate, the certificate shall be registered by that officer, and shall from the date of such registration be of the same force and effect and all proceedings may be taken thereon as if the certificate were a judgment obtained in that court for the recovery of a debt of the amount specified in the certificate and entered upon the date of such registration, and all reasonable costs and charges attendant upon the registration of such a certificate shall be recoverable in like manner as if they were part of such judgment ;

(h) the court may on the application of the Administrator require any person known or suspected to have in his possession or under his control any property, right or interest subject to the charge, including any person known or suspected to owe a debt to a Bulgarian national or any person who claims that any property, right or interest belonging to him is not subject to the charge by reason of his having acquired ipso facto the nationality of an Allied or Associated Power in accordance with the provisions of the Treaty, or any person whom the court may consider capable of giving information with respect to the same, subject



to payment or tender of reasonable expenses of his attendance, to attend as a witness and to give evidence or produce documents before the court or before such officer as the court may appoint for the purpose of examining into the matter, who shall have power to take evidence and administer oaths, and if any person fails without reasonable excuse to comply with any of the provisions of the order or wilfully gives false evidence he shall on summary conviction be liable to a fine not exceeding one hundred pounds or to imprisonment for a term not exceeding three months or to both such imprisonment and fine.

For the purposes of this paragraph "the Court" means the High Court or a judge thereof or a county court or in Scotland the Court of Session or a sheriff court.

(i) if any person called upon to pay any money or to transfer or otherwise to deal with any property, rights or interests has reason to suspect that the same are subject to such charge as aforesaid he shall before paying, transferring or dealing with the same report the matter to the Administrator and shall comply with any directions that the Administrator may give with respect thereto.

- (iii) There shall be paid to the Administrator such surplus proceeds of property, rights and interests charged under Section 1 (xvi) of the Treaty of Peace Order, 1919, as may be allocated in accordance with Article 1 (xvi) (b) of that Order to the payment of amounts due in respect of claims by British nationals with regard to their property, rights and interests in Bulgarian territory.
- (iv) The Administrator may, subject to the approval of the President of the Board of Trade, from time to time make, revoke or vary general rules and may prescribe forms for carrying into effect the provisions of this Order, and prescribe the time (not being less than six months after the coming into force of the Treaty) within which proof of debts and other claims in order to rank must be made and the manner of making and proving the same.
- (v) The Administrator shall, as respects property vested in or transferred to him under this Order, have all the rights and powers conferred upon or exercisable, as respects property vested in him, by a trustee in bankruptcy, whether with or without the permission of a committee of inspection or the leave of the court.
- (vi) The Administrator shall apply the sums received by him in satisfaction of the claims, debts and compensation mentioned in subsection (i) of this article, but no pay-



ment shall be made by the Administrator in respect of any such debt unless he is satisfied that such efforts as the Administrator thinks reasonable and proper in the circumstances of the case have been made without success to recover directly from the person liable to satisfy the debt.

- (vii) The Administrator shall be assisted by such officers and servants as the Board of Trade, subject to the consent of the Treasury, may determine, and there shall be paid to the Administrator and to such officers and servants such salaries or other remuneration as the Treasury may determine.
- (viii) The Administrator shall retain out of the property, rights, interests or the proceeds thereof vested in or collected or received by him under this Order such sums as, subject to the consent of the Treasury, he may consider necessary to cover risks, expenses and commissions.
- (ix) (a) Debts shall carry interest at the rate of five per centum per annum, but in cases where by law, custom or contract the creditor is entitled to the payment of interest at some other rate that rate shall be the rate of interest ;  
Provided that interest shall not be payable on sums of money due by way of dividend, interest or other periodical payments which themselves represent interest on capital.  
(b) Interest shall commence to run from the date of the commencement of hostilities (or, if the debt became due at a later date during the war, from such later date), and shall, in the case of debts payable to the Administrator, continue to run until payment is made to him.
- (x) The Administrator may sue and be sued by the name of the Administrator of Bulgarian Property.
- (xi) Every document purporting to be an order or other instrument issued by the Administrator or to be signed by him or by any other person authorized by him shall be received in evidence and shall be deemed to be such order or instrument without further proof unless the contrary is shown and in any proceeding by the Administrator to recover a debt or fine, a report purporting to be signed by the Administrator or any other person authorized by him shall be evidence of the facts therein stated.
- (xii) A certificate signed by the Administrator that an order or other instrument purporting to be made or issued by him is so made or issued shall be conclusive evidence of the facts so certified.

- (xiii) The Documentary Evidence Act, 1868, as amended by any subsequent enactment, shall apply to the Administrator in like manner as if he were mentioned in the first column of the First Schedule to that Act, and as if the Administrator or any person authorized by him to act on his behalf were mentioned in the second column of that Schedule, and as if the regulations referred to in that Act included any documents issued by or on behalf of the Administrator.
- (xiv) All decisions of the Mixed Arbitral Tribunal constituted under Section VI of Part IX of the Treaty, if within the jurisdiction of that tribunal, shall be final and conclusive and binding on all courts.
- (xv) The Administrator may undertake on behalf of a British national the presentation to and conduct before the Mixed Arbitral Tribunal of any claim, difference or dispute referable to the Tribunal under the provisions of Sections IV, V and VII of Part IX of the Treaty, and may make regulations with the consent of the Treasury in respect of the fees to be charged in respect of such services.
- (xvi) For the purpose of enforcing the attendance of witnesses before the Mixed Arbitral Tribunal, wherever sitting, whether within or without His Majesty's Dominions, and compelling the production before the tribunal of documents, a Secretary of State shall have power to issue orders which shall have the like effect as if the proceedings before the tribunal were an action in a court and the order were a formal process issued by that court in the due exercise of its jurisdiction, and shall be enforceable by that court accordingly, and disobedience to any such order shall be punishable as contempt of court.
- (xvii) The time at which the period of prescription or limitation of right of action referred to in Article 183 of the Treaty shall begin again to run shall be at the expiration of six months after the coming into force of the Treaty, and the period to be allowed within which presentation of negotiable instruments for acceptance or payment and notice of non-acceptance or non-payment or protest may be made under Article 184 shall be eighteen<sup>1</sup> months from the coming into force of the Treaty.
- (xviii) Rules made during the war by any recognized Exchange or Commercial Association providing for the closure of contracts entered into before the war by an enemy and any action taken thereunder are hereby confirmed subject to the provisos contained in para-

<sup>1</sup> This in the original Order was "ten."

graph 4 (a) of the Annex to Section V of Part IX of the Treaty.

- (xix) There shall be imposed on rights of industrial, literary or artistic property (with the exception of trade marks) acquired before or during the war, or which may be acquired hereafter, by or on behalf of Bulgarian nationals, such limitations, conditions or restrictions as the Board of Trade may prescribe for the purpose, in the manner, in the circumstances, and subject to the limitations, contained in Article 190 of the Treaty, and any transfer in whole or in part or other dealing with any rights so acquired as aforesaid effected since the first day of August, nineteen hundred and fourteen, shall if and so far as it is inconsistent with any limitations, conditions or restrictions so imposed be void and of no effect.
- (xx) So far as may be necessary for the purpose of Article 191 of the Treaty, the Patents, Designs and Trade Marks (Temporary Rules) Act, 1914 (except paragraph (b) of Section 1 of the Patents, Designs and Trade Marks (Temporary Rules) (Amendment) Act, 1914), shall in relation to Bulgarian nationals continue in force, and shall be deemed as from the date when the Treaty came into force to have continued in force, as if references therein to subjects of a State at war with His Majesty included references to Bulgarian nationals.
- (xx (a)) *The Comptroller-General of Patents, Designs and Trade Marks shall have power and shall be deemed to have had power, as from the coming into force of the Treaty in cases where patents and designs are revived under the provisions of Article 191 of the Treaty, to impose such conditions as he may deem reasonably necessary for the protection of persons who have manufactured or made use of the subject matter of such patents or designs while the rights had lapsed.*
- (xxi) The duly qualified tribunal for the purposes of Article 193 of the Treaty shall be the Comptroller-General of Patents, Designs and Trade Marks.

2. For the purposes of the foregoing provisions of this Order—

The expression “nationals” in relation to any State includes the Sovereign or former Sovereign and the subjects or citizens of that State and any company or corporation incorporated therein according to the law of that State and in the case of a Protectorate the natives thereof:

The Interpretation Act, 1889, applies for the interpretation of this Order in like manner as it applies for the interpretation of an Act of Parliament, and as if this Order were made an Act of Parliament.

3. This Order shall apply to the whole of His Majesty's Dominions and Protectorates, except India and Egypt and the self-governing Dominions, that is to say, the Dominion of Canada, the Commonwealth of Australia (which for this purpose shall be deemed to include Papua and Norfolk Island), the Union of South Africa, the Dominion of New Zealand and Newfoundland, but in its application to the parts of His Majesty's Dominions outside the United Kingdom and to British Protectorates shall be subject to such modifications as may be made by the legislatures of those parts or those Protectorates for adapting to the circumstances thereof the provisions of this Order.

4. This Order shall be deemed to have come into operation as from the date when the Treaty of Peace came into force, that is to say the Ninth day of August, nineteen hundred and twenty.

*Almeric FitzRoy.*

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#### SCHEDULE

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NOTE.—The Clearing System not having been adopted in the case of Bulgaria, the only portions of Section III of Part IX of the Treaty of Neuilly contained in the Schedule to this Order are paragraph 4 (*d*) of Article 176 and Clause 22 of the Annex (see p. 284). The Schedule also contains Sections IV, V, VI, and VII of Part IX of the Treaty of Neuilly (see pp. 284–8).



## CHAPTER VII

### AN OUTLINE OF THE LEGISLATION OF GERMANY AND AUSTRIA, IN CONNEXION WITH THE TREATIES OF VERSAILLES AND ST. GERMAIN

#### GERMANY

ON 31st August, 1919, two laws were passed by the German National Assembly, the purpose of which was to facilitate the due fulfilment by Germany of her treaty obligations, viz. the law relating to Expropriations and Indemnities arising out of the Treaty of Peace (RGL. 1527), and the Law relating to the Execution of the Treaty of Peace (RGL. 1530).

The first of these two laws empowered the Government to expropriate all property which, under the terms of the Treaty of Versailles, had to be transferred to the Allied and Associated States or their nationals, and provided for the issue of special Rules for the indemnification of the owners of property whether seized for such purpose, or retained and liquidated by the Allied and Associated Powers under the provisions of the Treaty.<sup>1</sup>

The second of these laws may be briefly summarized as follows. It prohibited the private settlement of "enemy debts." It enabled the Government to raise either directly, or through the communal and other local associations, contributions in the form of goods and services from the trading community. It prolonged until 10th January, 1921, the time limits affecting patents and other industrial property, and revived all rights in respect thereof which had already lapsed through the non-performance of any act or formality during the War, and thereby gave effect to the provisions of Article 307 of the Treaty. It empowered the Minister of Finance to issue bearer securities as prescribed in Article 232 and in Clause 12 of the Second Annex to Part VIII of the Treaty. It laid down penalties for illicit drilling in contravention of Article 177, and for the manufacture of war materials in contravention of Articles

<sup>1</sup> A law of a similar kind has been passed by the Bulgarian Legislature, and was published on 27th May, 1921.

170 and 171. It authorized the Government to make due provision for the revocation of exceptional war measures, and to fix the date of the termination of the war.

On 15th November, 1919, a Proclamation was issued which provided for the granting of financial assistance to those whose property and interests abroad had been damaged by the War, and set up Special Arbitral Commissions for the purpose.<sup>1</sup> This Proclamation provide that applications for such assistance shall, in the first instance, be addressed to committees representing the interests concerned, which are to examine each application and to submit the same with their considered recommendations to the Arbitral Commissions. These committees are entrusted with the payment of the sums awarded, and are permitted to deduct  $\frac{1}{2}$  per cent. in order to establish a fund out of which relief may be granted in cases of exceptional distress. An Imperial Commissioner for Damage Abroad has recently been appointed in whose charge the whole organization in connexion with these arrangements has been placed.

On the same date special Rules were issued which define the purposes for which, and the limits within which, financial assistance may be accorded.<sup>2</sup> These rules provide :

- (1) that advances may be granted to persons who, under the law of 31st August, 1919, have a claim to compensation for any loss or injury to their property involved by the terms of the Treaty ;
- (2) that subsidies may be granted to those whose property abroad has been damaged (a) by the operations of the German or of the enemy forces, (b) by fire, pillage, theft, etc., or (c) in consequence of flight ;
- (3) that relief may be granted to persons who before the War resided abroad, and who, having through internment or other causes lost their means of livelihood, are in serious financial distress.

The advances and subsidies granted under the provisions of this Proclamation may not exceed one-half of the amount of the damage, calculated on the basis of the pre-war value of the property in question—except in cases where it is proved that the money will be used for the re-establishment of the applicant's business abroad, in which case the

<sup>1</sup> Bekanntmachung betreffend Verfahren für die Zuwendung von Reichsmitteln an Deutsche für Schäden im Ausland (RGBl. 1891).

<sup>2</sup> Richtlinien für die Gewährung von Vorschüssen Beihilfen und Unterstützungen für Schäden Deutscher im Ausland aus Anlass des Krieges.

maximum may be raised to three-quarters. The maximum amount that may be granted as relief is Mks. 1,500 unless a larger grant is specially sanctioned by the Minister of Reconstruction.

On 11th January, 1920, a Decree was issued which cancelled the war measures affecting enemy property rights and interests in Germany. Under this Decree the duties and liabilities of Supervisors, Administrators, and Liquidators, and the powers of the Custodian of Enemy Property, were preserved in so far as was necessary for the purpose of carrying out the obligations imposed by the Treaty. A translation of the Decree will be found on p. 330.

*Imperial Clearing Law.*—On 24th April, 1920, the Imperial Clearing Law was passed, a translation of which will be found on p. 332. Unlike the British Treaty of Peace Order, which merely lays down the powers and functions of the British Clearing Office, leaving its internal organization to be developed in the light of experience—the German law is of a most complicated character; it prescribes in detail the internal organization of the German Clearing Offices, and contains elaborate provisions as to their relations with each other and with the public.

The main features of this Law, which is divided into eight sections, may be briefly summarized as follows:

Section I provides for the establishment, constitution, and procedure of the Central and Branch Offices, and for the formation of Advisory Committees and Sub-Committees to assist them in their work.

Section II is divided into three parts. The first part provides for the election by the National Assembly of a Special Advisory Committee to assist the Government in determining what classes of obligations fall within the provisions of Article 296 (see Article 9), prohibits private settlements or the exercise of legal remedies for the purpose of recovering "enemy debts" (see Articles 11 to 14), and provides that, in cases where a German creditor has attempted to recover a debt otherwise than through the Clearing Offices, the claim in respect thereof shall be transferred to the State (see Article 15).

The second part prescribes the notification to the German Clearing Office of all German claims that fall within the provisions of Article 296 of the Treaty, and authorizes the Minister of Reconstruction to extend this obligation to debts also (see Articles 17 and 18). It provides that the decisions of the Mixed Arbitral Tribunal shall have the effect of judg-

ments at law (see Article 22). It also provides that in cases in which the Clearing Offices or the Mixed Arbitral Tribunal decide that a claim does not fall within the scope of Article 296, a certificate to that effect shall be furnished by the Clearing Office to the Creditor if he so requests (see Article 23).

The third part lays down in detail the method of settlement between the German Clearing Office and the German public, and its provisions are of sufficient importance and interest to call for a closer examination.

The obligations with which this third part of the section deals may be conveniently classified under two heads :

- (1) Claims and debts in marks.
- (2) Claims and debts in foreign currencies.

In the case of (1) a German creditor receives in marks the amount in marks originally due to him, and the Clearing Office retains the credit in respect of the balance (i.e. the difference between such sum and the present mark equivalent of the sterling, francs, etc., which, under the terms of the Treaty, have to be credited to Germany by the opposite Clearing Office), while a German debtor pays only the amount (plus 5 per cent. interest) which he owes in marks, the balance necessary for conversion at the present rate of exchange into sterling, francs, etc., being provided by the Government (see Article 25). The same applies in cases where the contract provides for settlement in marks, or alternatively in some other currency, and where, having regard to the state of the exchanges, it is obvious that settlement would, but for the Treaty, be effected in marks as the method most advantageous to the party who, under the terms of the contract, has the right to choose in which currency he will pay.

In the case of (2) a German creditor receives the amount of marks which at the present rate of exchange represents the sum due to him in the foreign currency, but a German debtor only pays the amount of marks which, at the pre-war rate of exchange, would have represented the sum due by him in the foreign currency, the difference being made up by the State (see Article 26).

If this provision stood alone it would enable Germans who, as is often the case, are both debtors and creditors under the Treaty, to profit on the recovery of the "enemy debts" due to them in foreign currency—while escaping any loss on exchange when discharging the "enemy debts" in foreign currency which they themselves owe.



In order to obviate this, German debtors, in cases where they owe money in a foreign currency which stands higher in relation to the mark than before the war, and therefore benefit by being permitted to settle in marks at the pre-war rate of exchange, are required to declare all their claims either as creditors in respect of "enemy debts," or as persons entitled to compensation for the liquidation of their property in the Allied and Associated States (see Article 29). The sum which they have to pay to the Clearing Office in discharge of their debts is increased by the amount of their "currency profit" as creditors or claimants to compensation<sup>1</sup>—provided that they are in no case to be required to pay more in respect of any particular debt than the amount of marks which has to be credited to the opposite Clearing Office in respect thereof (i.e. the equivalent at the present rate of exchange of the sum due in sterling, francs, etc.). For example, a German in Berlin owes a British creditor in London an "enemy debt" amounting to £100 (a sum which before the war would have represented Mks. 2,050). The same debtor has property in England which, having been retained and liquidated under Article 297(b), has realized £200 (a sum which before the war would have represented Mks. 4,100), and in respect of this claim is entitled to receive by way of compensation under the Indemnity Rules of 26th May, 1920, the amount of marks which represents £200 at the current rate of exchange (i.e. about Mks. 50,000). His so-called "currency profit" as a creditor is therefore about Mks. 45,900. In these circumstances he is credited with the Mks. 50,000 in respect of the £200 which is due to him, but instead of being debited with Mks. 2,050, which would represent the pre-war equivalent of the £100 which he owes, he is debited with Mks. 25,000, the present equivalent of £100. His "currency profit" *qua* creditor is thus reduced to Mks. 22,950, which sum is further diminished by drastic taxation under the Clearing Tax Law.

The section further provides (see Article 27) that any debtor who contravenes the provisions of Article 11 prohibiting private settlements shall, in addition to other penalties provided by the law, be called upon to settle with the Clearing Office on the basis of the rate of exchange least favourable to him (e.g. to pay the equivalent in marks at

<sup>1</sup> I.e. the profit which they realize by receiving the present mark equivalent of their sterling claims (under Article 26 of the Clearing Law) or by having the sterling value of their property in England converted for compensation purposes into marks at the current rate of exchange (under the Rules of 26th May, 1920, see pp. 327, 328).

the current rate in the case of a sterling debt, and the equivalent in marks at the pre-war rate in the case of a rouble debt).

The section provides for advances in the case of pressing financial necessity to German creditors whose claims have been duly proved (see Article 41), the maximum advance being one-half of the amount to which the creditor will eventually be entitled, or three-fourths, of that amount if the money is to be used for the re-establishment of the creditor's business.

Section III contains extremely complicated provisions with regard to the indemnification of German debtors in respect of any loss on exchange which they have incurred or may incur in discharging obligations which do not fall within the scope of the Clearing System.

Section IV regulates the legal rights of the German public in relation to the Clearing Offices.

Section V provides for the cancellation or alteration of contracts between German nationals under which one party has undertaken to make a payment to the other in foreign currency, or to supply him with foreign tender, in cases where the maintenance of the contract under present conditions would be unfair.

Section VI provides for the participation of third parties in proceedings before the Clearing Office, the Imperial Economic Court, and the Courts of Arbitration.

Section VII lays down the penalties for breaches of the Law.

Section VIII provides for the issue of supplementary regulations and fixes the date upon which the Law shall come into force which, except as regards certain sections, is to be the day following its publication.

On the 30th April, 1920, a Decree was issued requiring German nationals to notify all debt claims falling within Article 296 (1 to 4), or within Article 72<sup>1</sup> of the Treaty of Versailles against nationals of those Allied or Associated Powers which had adopted the Clearing system, viz. Great Britain, France, Italy, Greece, and Siam.

On the 26th May, 1920, in accordance with the provisions of the law relating to Expropriations and Indemnities referred to in the first paragraph of this chapter, Special Rules were issued with regard to the indemnification of German nationals deprived either of their property in Germany by the measures of the German Government or of their property abroad by the measures of the former enemy

<sup>1</sup> Article 72 of the Treaty of Versailles relates to debts as between German nationals and the inhabitants of Alsace-Lorraine. (See note on p. 335.)

States. These Rules deal with the indemnities payable to the German owners in respect of :

- (1) property expropriated by the German Government in order to carry out the obligations imposed by the Treaty, e.g. property which has, under German war legislation, been transferred to German ownership, and which has to be recovered and restored to its original owners ;
- (2) property liquidated or retained by the Allied or Associated Powers, or property of which the German owners are deprived in favour of those Powers or of their nationals by the express terms of the Treaty.

In the case of (1) the German owner is entitled to receive the value of the property on the 10th January, 1920.

In the case of (2) the German owner is entitled in the first place to receive, by way of indemnity, the present mark equivalent of the proceeds of liquidation or of the established value of the property of which he has been deprived.

If he can prove that the proceeds of liquidation amount to less than the true value of the property on the 25th July, 1914, or (where it was acquired after that date) than the price which actually he paid for it, he is entitled to receive by way of "supplementary indemnity," the present mark equivalent of the difference between the pre-war value of the property (in sterling, francs, etc.), and the proceeds actually realized.

In cases where money due to a German national, and not payable through the Clearing Office as an "enemy debt" (e.g. money due to a German resident in Switzerland on the coming into force of the Treaty) is retained by the Government of an Allied or Associated Power as subject to the charge created by Clause 4 of the Annex to Section IV the German creditor is entitled under these Rules to receive by way of indemnity the present mark equivalent of the sum due (together with any interest to which he may be entitled under contract, law or custom).

These indemnities are subject to deductions in respect of taxes.

*The Clearing Tax Law.*—On the 12th June, 1920, a Law was passed<sup>1</sup> which prescribed the treatment for taxation purposes of certain classes of debts and claims falling within the scope of the Imperial Clearing Law or of the Law relating to Expropriations and Indemnities. The object of this

<sup>1</sup> Ausgleichsbesteuerungsgesetz, RGBl. 1195.

enactment, the provisions of which are exceedingly complicated, is to tax the "currency profit" of German creditors and claimants, and thereby to relieve the State of some portion of the burden which it has incurred by permitting German debtors to pay their franc and sterling debts in marks at the pre-war rate of exchange and itself making up the deficiency due to the present depreciation of the mark.

### AUSTRIA

The Austrian laws in connexion with the Treaty of St. Germain are neither so complicated nor so numerous as those passed by Germany in connexion with the Treaty of Versailles.

On 15th June, 1920, a law was passed authorizing the Government to prohibit all communications between creditors and debtors for the purpose of effecting the private settlement of "enemy debts" (Staatsgesetzblatt, No. 287).

On 9th July, 1920, a law was passed extending to Austrian nationals, and to the nationals of all foreign states, the benefits conferred by Article 259 of the Treaty of St. Germain upon the nationals of the Allied and Associated Powers, viz. prolongation of time limits, and revival of rights in respect of industrial property (Staatsgesetzblatt, No. 306).

On the same date a law was passed by the National Assembly which made the decisions of the Mixed Arbitral Tribunal, and likewise the decisions of the Courts of the Allied and Associated Powers in matters within their competence, valid in Austria, and binding upon all Austrian nationals (Staatsgesetzblatt, No. 307).

On 14th January, 1921, a law was passed empowering the Austrian Government to expropriate all property required for transfer to the Allied and Associated Powers under Article 184 and Part V of the Treaty of St. Germain, and providing for the payment of suitable indemnities to the owners, the amount of which is in the event of dispute to be fixed by the Courts (Bundesgesetzblatt, No. 81).

A department destined to fulfil the functions of a Clearing Office (Abrechnungsamt) was established in Vienna by the Ministry of Finance on 9th January, 1920 (Staatsgesetzblatt, No. 25) and a comprehensive Clearing Law for Austria, though not yet actually passed, is in course of preparation.



## CHAPTER VIII

### THE DECREE REVOKING GERMAN WAR MEASURES AND THE GERMAN IMPERIAL CLEARING LAW

### THE DECREE RELATING TO THE REVOCATION OF WAR MEASURES OF 11TH JANUARY, 1920

By virtue of Article 27, paragraph 1, of the Law relating to the execution of the Treaty of Peace of the 31st August, 1919, it is hereby ordered as follows :

#### ARTICLE 1

The enactments specified in the Schedule to this Decree shall, in so far as is not otherwise provided in Articles 2 to 8, cease to be in force.

#### ARTICLE 2

Liquidators, compulsory administrators and supervisors shall, pending restitution to the owner of the property subject to their administration or supervision, continue to be responsible for the preservation of such property, and shall be called upon to safeguard the interests of the owner. They shall to this extent continue to exercise the powers which they have hitherto possessed in accordance with the directions of the Central State Authorities.

#### ARTICLE 3

Restitution shall take place in accordance with the orders of the Central State Authorities immediately upon receipt of an application from the owner.

Up to the time of restitution the power of the owner or of his agents or of any other persons to perform juristic acts in respect of the property subject to administration or supervision shall remain in abeyance.

#### ARTICLE 4

Liquidators, compulsory administrators and supervisors shall be bound to furnish information with regard to their actions to the authority to whom they have hitherto been responsible, and in particular to furnish final reports in accordance with the directions

of the Central State Authorities. They shall also be bound to furnish information to the owner with regard to their actions in such manner as may be ordered by the Central State Authority.

#### ARTICLE 5

The Central State Authorities may, in order to secure the due performance by liquidators, compulsory administrators and supervisors of the obligations incumbent upon them under Articles 2 to 4, impose penalties not exceeding fifteen hundred marks. The penalty may be repeated.

#### ARTICLE 6

Property subject to the administration of the Custodian of Enemy Property shall upon application by the owner, without prejudice to the provisions relating to the Clearing System (Article 296 of the Treaty of Peace and the Annex thereto) be immediately released. The Custodian shall make provision for the preservation of the property subject to his administration up to the time it is restored, and shall be called upon to safeguard the interests of the owner. He shall to this extent continue to exercise the powers which he has hitherto possessed.

Article 3, paragraph 2, shall apply to property subject to the administration of the Custodian.

The Custodian shall be entitled to demand information from any person with regard to the property subject to his administration and to require the delivery to him of property including outstanding interest and interest which may in future become due.

#### ARTICLE 7

Without prejudice to the provision contained in Clause 13 of the Annex to Article 298 of the Treaty of Peace, claims for damages against liquidators, compulsory administrators or supervisors or against the Custodian may only be brought under the conditions prescribed in Article 1 of the Proclamation of 24th June, 1915 (see p. 44), or in Article 10 of the Proclamation of 31st July, 1916 (see p. 40).

#### ARTICLE 8

The Imperial Commissioner for Industrial Property shall fix the amount of the payments which have, by virtue of his orders, become due up to the date of the coming into force of the Treaty of Peace, and shall collect the amounts so fixed in accordance with the rules hitherto prevailing.

#### ARTICLE 9

The provisions of Articles 1 to 3 of the Law relating to the execution of the Treaty of Peace of 31st August, 1919, shall not

be affected by the revocation of the Decrees prohibiting payments to enemy countries which is provided for in Article 1 hereof.

NOTE. The Articles here referred to are those imposing penalties for contraventions of the prohibition against the private settlement of "enemy debts."

#### ARTICLE 10

This Decree shall come into force upon the date of its publication.

NOTE.—The Schedule to this Law includes all the Decrees in the index on p. 459 which are marked with an asterisk.

### THE IMPERIAL CLEARING LAW OF 24TH APRIL, 1920

The German Constituent National Assembly has passed the following Law which, with the assent of the Imperial Council, is hereinafter promulgated.

## IMPERIAL CLEARING LAW

### SUMMARY OF THE SECTIONS

- I. THE IMPERIAL CLEARING OFFICE (Articles 1 to 8).
- II. THE SETTLEMENT OF PECUNIARY OBLIGATIONS UNDER THE EXAMINING AND CLEARING SYSTEM (Articles 9 to 43).
  1. General Provisions (Articles 9 to 16).
  2. Notification and Determination of the Claims and Debts to be Cleared (Articles 17 to 23).
  3. Settlement of Accounts between the Imperial Clearing Office and German Creditors and Debtors (Articles 24 to 43).
- III. CO-OPERATION OF THE IMPERIAL CLEARING OFFICE IN THE SETTLEMENT OF PECUNIARY OBLIGATIONS OTHERWISE THAN UNDER THE CLEARING SYSTEM (Articles 44 to 50).
- IV. MEANS OF CONTESTING AT LAW THE ORDERS AND DECISIONS OF THE IMPERIAL CLEARING OFFICE (Articles 51 to 54).
- V. CANCELLATION AND ALTERATION OF CONTRACTS RELATING TO PAYMENT IN FOREIGN CURRENCY OR THE DELIVERY OF FOREIGN TENDER (Articles 55 to 57).
- VI. PARTICIPATION OF THIRD PARTIES IN PROCEEDINGS BEFORE THE IMPERIAL CLEARING OFFICE, THE IMPERIAL ECONOMIC COURT, AND THE COURTS OF ARBITRATION (Articles 58 to 61).
- VII. PENAL PROVISIONS (Articles 62 to 65).
- VIII. FINAL PROVISIONS (Articles 66 to 67).

Issued in Berlin on the 24th April, 1920.

### I. THE IMPERIAL CLEARING OFFICE

#### ARTICLE 1

There shall be established under the designation "Imperial Clearing Office" an examining and Clearing Office, with its seat in Berlin.

The Imperial Minister for Reconstruction may, in consultation with the Governments of the States concerned, establish Branch Offices at other places.

NOTE.—Fifteen Branch Offices have been established in the following towns: Königsberg, Breslau, Frankfurt-am-Main, Cologne, Düsseldorf, Munich, Nuremberg, Leipzig, Stuttgart, Karlsruhe, Brunswick, Weimar, Hamburg, Bremen, and Lübeck. All correspondence with foreign Clearing Offices takes place through the Central Office.

## ARTICLE 2

At the head of the Clearing Office there shall be a President, who shall be nominated by the President of the Empire.

The Imperial Minister for Reconstruction shall, within the limits laid down in the provisions of the Treaty of Peace and of this Law, issue regulations with respect to the constitution and procedure of the Imperial Clearing Office.

## ARTICLE 3

Within the Central Office, and within each branch of the Imperial Clearing Office, an Advisory Committee shall be established, consisting of representatives of the creditors and debtors concerned in the carrying out of this Law.

The Advisory Committee of the Central Office shall be summoned by the President of the Imperial Clearing Office, who shall preside at its meetings. In the case of other Advisory Committees, the Controller of the Branch Office concerned shall take the place of the President.

The duties of the Advisory Committees shall be as follows :

- (a) To furnish advice to the Office or Branch Office.
- (b) To form sub-committees to assist in an advisory capacity the Central Office or Branch Office in its current work ;
- (c) to propose assessors for the Arbitral Boards of the Office (Spruchstellen) (see Article 4).

The Imperial Minister for Reconstruction shall determine what organizations may nominate representatives to serve upon the Advisory Committees, and the number of representatives which each shall be entitled to nominate ; he may make rules with regard to the practice and procedure of the Advisory Committees.

In selecting sub-committees and in proposing members for the Arbitral Boards, the Advisory Committees shall not be limited to their own members.

## ARTICLE 4

Within the Imperial Clearing Office Arbitral Boards shall be established which shall consist of three members and whose decisions shall be those of the majority. Over each Arbitral Board a member of the Office shall preside, who shall be appointed by the Imperial Minister for Reconstruction, and must be qualified for judicial office or for service in the higher branches of the administration. The President of the Imperial Clearing Office shall, after consulting the Advisory Committee, appoint members from the sections of the business community concerned to act as assessors.

The Arbitral Boards shall adjudicate upon such matters as may devolve upon them under this Law. Further duties may be assigned to them by the Imperial Minister for Reconstruction.



The orders and decisions of the Arbitral Boards shall, for the purposes of this Law, be treated as the orders and decisions of the Imperial Clearing Office.

Orders and decisions of the Arbitral Boards which do not relate merely to procedure shall be notified to the President of the Imperial Clearing Office. Such notification may be effected by the mere submission of the papers; in this case the date of the receipt of the papers shall be noted upon the original document containing the order or decision.

#### ARTICLE 5

The members of the Advisory Committees and the assessors of the Arbitral Boards shall be bound to observe secrecy with regard to matters which come to their knowledge in the course of their duties, in so far as it is not incumbent upon them under the law to furnish information to the Authorities.

The same shall apply to the officials and employees of the Imperial Clearing Office, without prejudice to the furnishing of official reports or to the notification of breaches of the law.

#### ARTICLE 6

Those who are parties to proceedings before the Imperial Clearing Office shall be bound to furnish to the Office all the information which it may require, and to submit such documents as it may specify. The Imperial Clearing Office may, in order to secure the fulfilment of this obligation, threaten and fix penalties for breaches of its regulations, the amount of which shall not exceed ten thousand marks for each offence. The penalties so threatened and fixed may be repeated.

Documents relating to notifications which have been effected during the war in respect of German claims against foreign countries, and in respect of the property in Germany of the nationals of enemy States, shall be handed to the Imperial Clearing Office if it so requests for the purpose of investigation. The Imperial Clearing Office may demand information from the persons or offices concerned with the receipt or working out of such notifications.

NOTE.—This gives the Clearing Office access to the notifications lodged with the Chambers of Commerce during the War (see p. 11), and the Office is thus enabled to test the validity of claims and to detect breaches of the prohibition against direct settlement.

#### ARTICLE 7

The Imperial Clearing Office may take evidence officially, and may, in particular, examine witnesses and experts upon oath and accept declarations in lieu of oath. A member of the Office may be appointed to exercise these powers, provided he possesses the qualifications for judicial office or for service in the higher branches of the administration. For the purpose of taking down

evidence a writer shall be employed who, by shaking hands in lieu of oath, shall be placed under an obligation to fulfil his duties in a faithful and conscientious manner.

The provisions of the Code of Civil Procedure shall apply *mutatis mutandis* to the taking of evidence, and in particular to the examination of witnesses and experts. In the case of appeals against decisions upon questions of evidence, in so far as such decisions are those of an official or employee authorized for the purpose, the final decision shall rest with an Arbitral Board of the Imperial Clearing Office.

The Courts and Administrative Authorities shall comply, in so far as it is within their competence to do so, with any request by the Imperial Clearing Office for official aid. As regards the legal assistance to be furnished by the Courts, Articles 158 to 162, Article 165, paragraph 2, and Article 166 of the Judicature Act shall apply *mutatis mutandis*.

## ARTICLE 8

Fees shall be charged for the services of the Imperial Clearing Office. Detailed regulations with regard thereto shall be issued by the Imperial Minister for Reconstruction with the concurrence of the Imperial Council.

A portion of the fees charged shall be paid into a special fund to be used for the purpose of remedying hardships which may arise in connexion with the settlement of the obligations affected by this Law.

The Imperial Minister for Reconstruction shall be authorized, in consultation with the Minister for Finance, to make orders as to the disposal of this fund.

NOTE.—Dr. Lehmann points out in justification of this Article that the creditor is saved the expense of collecting through his bank. It will be observed that the amount of the Clearing Office commission is not fixed by the Law.

## II. THE SETTLEMENT OF PECUNIARY OBLIGATIONS UNDER THE PROVING AND CLEARING SYSTEM

### 1. GENERAL PROVISIONS

## ARTICLE 9

The provisions of Section II of this Law shall apply to claims and debts of German nationals of the kind specified in Article 296, Nos. 1-4, and in Article 72<sup>1</sup> of the Treaty of Peace, in so far as

<sup>1</sup> Article 72 of the Treaty of Versailles reads as follows :

“The settlement of the questions relating to debts contracted before November 11, 1918, between the German Empire and the German States or their nationals residing in Germany on the one part and Alsace-Lorrainers residing in Alsace-Lorraine on the other part shall be effected in accordance with the provisions of Section III of Part X (Economic Clauses) of the present Treaty, the expression ‘before the war’ therein being replaced by

they fall to be dealt with under the provisions of Article 296 (e) and (f), through the intervention of the Examining and Clearing Offices.

The Imperial Government may, subject to the concurrence of the Imperial Council, and of a Committee consisting of fifteen members elected by the National Assembly, issue rulings as to what legal relations fall within the scope of Article 296, Nos. 1 to 4 of the Treaty of Peace.

#### ARTICLE 10

The Imperial Minister for Reconstruction shall announce in the *Imperial Law Gazette* which Allied and Associated States have, in accordance with the provisions of Article 296 (e), adopted the procedure laid down in Article 296 of the Treaty of Peace and in the Annex thereto. Upon the expiration of the day upon which such announcement is made, the provisions of Section II of this Law shall be to that extent substituted for Article 1 of the Law of the 31st August, 1919, relating to the execution of the Treaty of Peace (*Imperial Law Gazette*, p. 1530).

A similar announcement shall be made as to which Allied and Associated States have agreed under the provisions of Article 296 (f) that the procedure laid down in Article 296 and in the Annex thereto shall apply to the nationals of one of such States resident within the territory of the other. The provisions of Section II of this Law shall, upon the expiration of the day upon which such announcement is made, apply to claims and debts as between German nationals and the persons affected by the Agreement, such persons being treated on the same footing as the nationals of the State within whose territory they are resident.

#### ARTICLE 11

In so far as regards the claims and debts of Germans specified in Article 9, paragraph 1, the payment, the acceptance of payment, the bringing into account of a debt or claim, the admission of indebtedness, the release of the debtor and every other communication between the parties with regard to the settlement of debts, is prohibited unless such communication takes place through the intervention or with the consent of the Imperial Clearing Office.

Such claims and debts may not be enforced at law. Pro-

the expression 'before November 11, 1918.' The rate of exchange applicable in the case of such settlement shall be the average rate quoted on the Geneva Exchange during the month preceding November 11, 1918.

"There may be established in the territories referred to in Article 51, for the settlement of the aforesaid debts under the conditions laid down in Section III of Part X (Economic Clauses) of the present Treaty, a special clearing office, it being understood that this office shall be regarded as a 'central office' under the provisions of paragraph 1 of the Annex to the said Section."

ceedings pending in the Courts with regard thereto shall be discontinued.

If a dispute at law which has been discontinued under paragraph 2 is, as regards the main issue, settled under the Clearing System by an agreement or decision certified by an Examining and Clearing Office, either of the parties may continue the legal proceedings for the purpose of obtaining a decision with regard to costs which have not been assessed in the course of the proceedings under the Clearing System.

The restrictions specified in paragraphs 1 and 2 shall, without prejudice to the provisions contained in Clause 16, paragraph 2, and in Clause 23 of the Annex to Article 296 of the Treaty of Peace, cease to be in force as soon as the certificate provided for in Clause 25 of the Annex to Article 296 of the Treaty has been furnished to the creditor.

#### ARTICLE 12

Execution in respect of the debts and claims specified in Article 9, paragraph 1, is inadmissible. Any execution already instituted shall be discontinued. Measures of execution which have taken place since the 11th September, 1919, shall be cancelled.

#### ARTICLE 13

The institution of bankruptcy proceedings in respect of any claim or debt of the kind referred to in Article 9, paragraph 1, is inadmissible. If such a claim or debt has been or shall be notified in a bankruptcy, it shall neither be examined nor admitted. In the case of a distribution, a share of the assets available for distribution corresponding with the notified amount of such claim or debt shall be retained or deposited.

The provision contained in paragraph 1, sentence 3, shall apply *mutatis mutandis* to distribution proceedings of other kinds.

#### ARTICLE 14

The restrictions laid down in Article 12, sentences 1 and 2, and in Article 13 shall cease to have effect from the moment at which the prohibition against the enforcement of the claim at law comes to an end by virtue of Article 11, paragraph 4, of this Law.

In the case of an execution against real property, the time limit prescribed in Article 31, paragraph 2, of the Law relating to Compulsory Sale by Auction and Compulsory Administration, shall from that moment begin to run.

#### ARTICLE 15

Claims in respect of which the claimant, or some other person in the exercise of a function delegated to him by the claimant, has wilfully and with the knowledge that he is committing a



breach of the law contravened one of the prohibitions contained in Article 11 shall be transferred to the Empire by means of an Order issued by an Arbitral Board of the Imperial Clearing Office and addressed to the claimant. Before such Order is issued the claimant shall be heard.

The claimant shall have no right to compensation in respect of the expropriated claim.

If it is the agent of the claimant only who has knowingly contravened one of the provisions contained in Article 11, the provisions of paragraphs 1 and 2 shall not apply, provided the claimant has observed ordinary and proper care in the choice of the agent and, in so far as he has to direct him in the exercise of the delegated function, has observed ordinary and proper care in so directing him.

#### ARTICLE 16

In so far as the German Empire satisfies a notified claim against a German debtor under the Clearing System, the claim shall be transferred to the German Empire. Such transfer may not be relied upon to the prejudice of the creditor.

#### 2. NOTIFICATION AND DETERMINATION OF THE CLAIMS AND DEBTS TO BE CLEARED

#### ARTICLE 17

German nationals must notify to the Imperial Clearing Office all their claims which fall under Article 9, paragraph 1.

The Imperial Minister for Reconstruction may extend the obligation to notify to the debts of German nationals which fall under Article 9, paragraph 1.

More detailed provisions as to the form, contents and time of the notification shall be issued by the Imperial Minister for Reconstruction, and published in the *Imperial Law Gazette*.

#### ARTICLE 18

The provisions of Article 15, paragraphs 1 and 2, shall apply *mutatis mutandis* to claims which are not notified to the Imperial Clearing Office, within the time limit prescribed by the Imperial Minister for Reconstruction, except in cases where neither the creditor nor any other person in the exercise of a function delegated to him by the creditor has knowingly contravened the provisions contained in Article 17, or where the notification is made after the expiration of the time limit, but before the claim came to the knowledge of the Imperial Clearing Office.

The provisions of Article 15, paragraph 3, shall apply *mutatis mutandis*.

#### ARTICLE 19

If in the case of any notified claim the Imperial Clearing Office considers that the provisions of Section II of this Law are in-

applicable, or comes forthwith to the conclusion that legal proceedings would have no prospect of success, it shall refrain from notifying the claim to the foreign Clearing Office, and shall refuse to prepare the claim.

The rejection shall be communicated to the party notifying the claim. The communication shall specify the notified claim, indicating the grounds thereof, the amount and the name of the debtor and shall draw attention to the legal effect of rejection laid down in Article 11, paragraph 4.

#### ARTICLE 20

The Imperial Clearing Office shall communicate the claims notified to it by the foreign Examining and Clearing Offices to the German nationals named as debtors, and shall allow them a reasonable time within which to furnish their observations.

If a German national named as a debtor does not admit the debt he shall immediately state the grounds upon which he relies, and shall specify or append the necessary evidence.

#### ARTICLE 21

If the Imperial Clearing Office considers that any claim notified to it has not been proved or that the reasons advanced by a German national for refusing to admit a debt are insufficient, it may require the German party to furnish a security for the payment of the penalty provided for in Clause 10 of the Annex to Article 296 of the Treaty of Peace.

This provision shall not apply if the party concerned proves that he is not in a position to furnish such security without prejudicing his own and his family's means of subsistence.

#### ARTICLE 22

The decisions of the Mixed Arbitral Tribunal (Clauses 16 to 20 of the Annex to Article 296 of the Treaty of Peace) shall be final. They shall have both as between the parties, and also as between the Imperial Clearing Office and the German party, the effect of a judgment at law.

The Imperial Clearing Office may require from the German party the payment of an advance to cover the fee for proceedings before the Mixed Arbitral Tribunal provided for in Clause 20 of the Annex to Article 296 of the Treaty of Peace. The provision contained in Article 21, paragraph 2, shall apply *mutatis mutandis*.

#### ARTICLE 23

If, as the result of a unanimous decision of the Clearing Offices concerned or of a decision of the Mixed Arbitral Tribunal, it is established that a German claim is not covered by Article 296 of the Treaty of Peace, the Imperial Clearing Office shall furnish to the creditor at his request, a certificate indicating that the

restrictions specified in Articles 11 to 13 of this Law, and in Article 1 of the Law of the 31st August, 1919, relating to the execution of the Treaty of Peace (*Imperial Law Gazette*, p. 1530), do not apply to the claim.

### 3. SETTLEMENT OF ACCOUNTS BETWEEN THE IMPERIAL CLEARING OFFICE AND GERMAN CREDITORS AND DEBTORS

#### ARTICLE 24

As soon as the claims and debts of German nationals specified in Article 9, paragraph 1, have been determined through the interchange of communications between the Clearing Offices concerned, and credited to the Examining and Clearing Office of the creditor State, the Imperial Clearing Office shall immediately furnish to the German party an account in respect of the amount standing to his credit or payable by him.

In the case referred to in Clause 14, paragraph 3, of the Annex to Article 296 of the Treaty of Peace, the account shall be immediately furnished to the creditor when his claim has been finally determined either by admission or by amicable agreement, or by unanimous decisions of the Examining and Clearing Offices, or by a decision given by the Mixed Arbitral Tribunal or by the Courts under Clause 16 of the Annex to Article 296.

Juridical persons and mercantile associations of other kinds shall only be treated as German nationals within the meaning of Section II (3) of this Law, if their place of business is situate within the territory of the Empire, and their legal status is based upon Imperial Law or upon the Law of a German State, and the greater part of their capital has belonged, as from a date not later than the 1st January, 1920, to nationals of the Empire.

#### ARTICLE 25

The claims and debts of German nationals expressed in Imperial currency shall be calculated in Imperial currency at their nominal amount, without reference to the currency in which settlement has to be effected between the Examining and Clearing Offices under the provisions of the Treaty of Peace.

The same shall apply if the claim or debt was expressed both in Imperial currency and in a foreign currency, and if at the time of the coming into force of the Treaty of Peace with the State of the opposite party, payment in Imperial currency would, in the case of a direct settlement between the parties, have been more advantageous to the party entitled to select the tender to be used for payment.

#### ARTICLE 26

The claims of German nationals expressed in a foreign currency shall be calculated in Imperial currency, the currency in which

their nominal amount is expressed being converted into Imperial currency at the rate of exchange of the day.

The same shall apply if the claim was expressed both in Imperial currency and in a foreign currency, and if at the time of the coming into force of the Treaty of Peace with the State of the opposite party, payment in a foreign currency would, in the case of a direct settlement between the parties, have been more advantageous to the party entitled to select the tender to be used for payment.

#### ARTICLE 27

The debts of German nationals expressed in a foreign currency shall be calculated in Imperial currency, and the currency in which their nominal amount is expressed shall be converted into Imperial currency at the pre-war rate of exchange. The provision contained in Article 26, paragraph 2, shall apply *mutatis mutandis*.

If the debtor or if another person, in the exercise of a function delegated to him by the debtor in reference to the debt, shall wilfully and with the knowledge that he is committing a breach of the law contravene any of the prohibitions contained in Article 11, conversion shall be effected at the rate of exchange of the day, except in cases where the value of the nominal amount of the debt at the pre-war rate of exchange exceeds its value at the rate of the day.<sup>1</sup> The provisions of Article 15, paragraph 3, shall apply *mutatis mutandis*.

#### ARTICLE 28

The penalties and fees of the Mixed Arbitral Tribunal provided for in Clauses 10 and 20 of the Annex to Article 296 of the Treaty of Peace shall be calculated in Imperial currency, conversion into such currency being effected at the rate of exchange of the day.

If the penalty or fee has arisen in connexion with a debt or claim falling under Article 25, or in connexion with a debt which has, under Article 27, to be converted at the pre-war rate of exchange, the conversion of the amount of such penalty or fee shall be effected at the pre-war rate of exchange if such a course appears necessary, in order to avoid hardship or obvious injustice.

The penalty or fee shall not be taken into account in cases where the party is clearly not at fault.<sup>2</sup>

<sup>1</sup> E.g., in the case of a debt due in roubles or kronen. The object of this Article, which is punitive, is that settlement shall, in such a case, be effected at the rate of exchange least favourable to the offender (see p. 326).

<sup>2</sup> E.g., where the debtor admits the debt but the Clearing Office contests it. In such a case the Clearing Office pays the penalty or fee (see Lehmann, p. 123).



## ARTICLE 29

A debtor whose obligation has, by virtue of Article 27, to be converted at the pre-war rate of exchange must, in so far as the value of the nominal amount of his debt at the pre-war rate does not exceed its value at the rate of the day, furnish a declaration within the time limit prescribed by the Imperial Clearing Office stating whether he has any property of the following kinds :—

1. Claims expressed in a foreign currency which fall within Article 9, paragraph 1.
2. Money claims, not falling within 1, which have to be settled in a foreign currency and in respect of which no Allied or Associated State has exercised the right of retention or liquidation conferred upon it by Article 297 (b) of the Treaty of Peace, in so far as such claims are founded upon legal relations which arose before the commencement of a state of war between the German Empire and the Allied or Associated State in question, and in so far as such claims fell due for settlement before the termination of such state of war. An agreement postponing the due date for settlement shall as regards the application of this provision be treated as null and void ;
3. Securities the value of which is expressed in a foreign currency, or claims to the delivery of such securities, in respect of which no Allied or Associated Power has exercised its right of retention or liquidation under Article 297 (b) of the Treaty of Peace, in so far as such securities or claims were acquired by virtue of legal relations which had arisen before the commencement of a state of war between the German Empire and the Allied or Associated State in question ;
4. Claims to compensation under Article 8 of the Law relating to Expropriations and Indemnities of the 31st August, 1919 (*Imperial Law Gazette*, p. 1527), for the retention or liquidation of money claims or of securities expressed in a foreign currency and constituting property, rights and interests within the meaning of Section IV of Part X of the Treaty of Peace.
5. Proceeds resulting from the retention or liquidation of money claims and securities which are expressed in a foreign currency and constitute property, rights and interests within the meaning of Section IV of Part X of the Treaty of Peace, in so far as such proceeds are placed directly at the disposal of the debtor by an Allied or Associated State.

Claims and other property of the kind specified in paragraph 1 which have been transferred since the 31st December, 1919,

to another person, likewise claims which have been extinguished since the 31st December, 1919, by the satisfaction of the creditor, shall, for the purposes of Articles 29 and 30 of this Law, be treated as the property of the person to whom they belonged on the 31st December, 1919, or, in the cases specified under Nos. 4 and 5, as the property of the person to whom the retained or liquidated property belonged at that date.

The debtor shall at the time of making the declaration specified in paragraph 1 hand in a list of the property, and shall, in lieu of oath, certify in writing the correctness of his statements—and prove the same by handing in the documentary evidence at his disposal.

If the debtor fails to fulfil the obligations specified in paragraphs 1 to 3, his debt shall be converted at the rate of exchange of the day for the currency in which it is expressed.

### ARTICLE 30

The amount payable by the debtor in accordance with the method of settlement laid down in Article 27, paragraph 1, shall be increased by the amount of the currency profit (*Währungsgewinn*), which the debtor has realized in respect of the property specified in Article 29; it may not, however, exceed the value at the rate of exchange of the day of the nominal amount of the debt.

The following shall be reckoned as currency profit:—

1. As regards the classes of property specified in Article 29 under Nos. 1, 2, 3, and 5; the difference between the value at the rate of exchange of the day and the value at the pre-war rate.
2. As regards the indemnities referred to in Article 29 under No. 4, in so far as they have been assessed in a foreign currency and converted into Imperial currency at the rate of exchange of the day under the Rules provided for in Article 6 of the Law relating to Expropriations and Indemnities of the 31st August, 1919 (*Imperial Law Gazette*, p. 1527); the difference between the amount of the indemnity as finally calculated<sup>1</sup> and the value at the pre-war rate of exchange of the amount as assessed in the foreign currency.

The provisions of paragraphs 1 and 2 shall apply *mutatis mutandis* to the amount of any penalty or fee which has arisen in respect of a debt falling under Article 27 and which, under Article 28, paragraph 2, is to be calculated at the pre-war rate of exchange.<sup>2</sup>

<sup>1</sup> I.e., after conversion at the current rate.

<sup>2</sup> An explanation of this and of the preceding Articles will be found on p. 326.

## ARTICLE 31

In so far as it has been found impossible to recover payment in respect of the claims specified in Article 29 under Nos. 1, 2, and 3, they shall not be taken into consideration for the purpose of calculating currency profit. If recovery has been found impossible in respect of a portion only of any such claim, the amount calculated as currency profit in respect of the remainder shall be decreased to the extent of the value at the pre-war rate of exchange of the portion in respect of which recovery has been found impossible.

If the impossibility of recovery is not discovered until the settlement has acquired the force of law, the debtor may within three years from the time at which such settlement has acquired the force of law apply to an Arbitral Board of the Imperial Clearing Office for its rectification in so far as the claims in respect of which recovery has been found impossible, were taken into account therein.

## ARTICLE 32

If several obligations in respect of which conversion has by virtue of Article 27, paragraph 1, to be effected at the pre-war rate of exchange are centred in the person of a single debtor, his currency profit shall, in so far as it has been taken into account in the settlement with regard to one obligation, be *pro tanto* disregarded in the settlement with regard to the remaining obligations.

## ARTICLE 33

In so far as, under the provisions of Section II (3) the amount of the sums to be claimed by or paid to the Imperial Clearing Office depends upon the personality of the debtor or creditor, rights acquired and obligations incurred on behalf of a third party shall be treated as rights and obligations of such third party.

Similarly in cases where an agent has in the execution of a commission acted as a principal, the rights and obligations of the agent which have resulted from the fact that he has so acted, or which have caused him so to act, shall be treated as the rights and obligations of the principal.

## ARTICLE 34

In calculating the rate of exchange of the day for the purposes of this section, regard shall be had to the average rate of exchange on the days specified below as recorded on the Berlin Stock Exchange :—

1. In the case of sums which the Imperial Clearing Office has credited to the opposite Examining and Clearing Office: the rate of exchange ruling upon the date at which the crediting takes place ;

2. in the case of sums which are credited to the Imperial Clearing Office by the opposite Examining and Clearing Office: the rate of exchange ruling upon the date at which the notification of the credit has reached the Imperial Clearing Office;
3. in the case of sums the crediting of which is postponed in consequence of the provision contained in Clause 14, paragraph 3. of the Annex to Article 296 of the Treaty of Peace: the rate of exchange of the day upon which the claim has been determined in the manner indicated in Article 24, paragraph 2, of this Law;
4. in the case of those classes of property specified in Article 29 under Nos. 2, 3 and 5: the rate of exchange of the day as from which the party entitled may dispose of the property without restriction; if the property has been assigned before that day by the debtor without breach of any legal prohibition, regard shall be had to the rate of exchange prevailing at the date of the assignment.

Where no ruling rate upon the Berlin Stock Exchange for the days specified in paragraph 1 can be ascertained, the rate of exchange shall, in each particular case, upon application by the Imperial Clearing Office, be fixed by the Reichsbank, regard being had to the international market, upon the material date as specified in paragraph 1. The rate so fixed shall be binding upon the Imperial Clearing Office and upon the parties.

#### ARTICLE 35

The pre-war rate of exchange shall, for the purposes of the provisions of this Law, be defined as meaning the average rate of exchange ruling upon the Berlin Stock Exchange during the month preceding the commencement of the war between the German Empire and the State of which the opposite party is a national. In so far as such a rate cannot be ascertained, the pre-war rate of exchange shall be determined by the Imperial Minister for Reconstruction in consultation with the Imperial Minister for Finance, after they have obtained the advice of experts, regard being had to the international market during the month specified in sentence 1 of this paragraph.

In the case of debts between German nationals and persons domiciled in Alsace-Lorraine, the average rate of exchange ruling upon the Geneva Stock Exchange between the 11th October and the 10th November, 1918, shall be substituted for the pre-war rate of exchange.

#### ARTICLE 36

On sums claimed or due by the Imperial Clearing Office under the provisions of Section II (3), interest shall be paid at the rate of 5 per cent.



In the case of claims by the Imperial Clearing Office, interest shall begin to run as from the day upon which it has credited the amount to the opposite Examining and Clearing Office; in the case of debts due by the Imperial Clearing Office, interest shall begin to run as from the day upon which it has received notice of the crediting of the amount by the opposite Examining and Clearing Office.

#### ARTICLE 37

Where it appears that the final accounting in respect of a claim or debt is likely to be materially postponed, the Imperial Clearing Office may furnish a provisional account to the party.

#### ARTICLE 38

A claim against a surety which has been transferred to the German Empire under Article 16 shall be preferred by the Imperial Clearing Office against the surety by presenting him with an account.

Before such an account is presented, the person who is to be made liable as a surety shall be heard. If he raises defences which relate to the existence or extent of the principal obligation settled under the Clearing System or of his liability as a surety, the account to be presented shall be determined by an Arbitral Board of the Clearing Office.

NOTE.—This is a logical sequence of the provision contained in Article 16 whereby the Clearing Office succeeds to all rights of the creditor in respect of any debt which it satisfies.

#### ARTICLE 39

The amount due to the Imperial Clearing Office under an account shall be paid to the Imperial Clearing Office within a month from the time at which the account is presented.

The Imperial Clearing Office shall, upon application by the debtor, grant him extensions of the time limit if such a course seems advisable, having regard to considerations of justice, and having regard in particular to claims on the part of such debtor in respect of which no settlement has yet been effected. The granting of an extension may be made conditional upon his furnishing a security.

#### ARTICLE 40

Sums due by the Imperial Clearing Office under an account shall be paid out to the party entitled as soon and in so far as the competent Finance Office has given its consent to such a course. The conditions under which such consent is to be given or withheld shall be regulated by special statute.

If there is reason to anticipate that counter-claims may arise on the part of the Imperial Clearing Office, that Office may make the payment out conditional upon the furnishing of a security.

If doubts exist as to the identity of the party entitled, the amount shall be deposited under the provisions of the Civil Code.

#### ARTICLE 41

An advance shall, with the consent of the competent Finance Office, be granted upon application to a creditor in the case of pressing financial necessity at any time after the notification of the claim as prescribed in Article 17, in so far as the grounds and amount of the claim have been proved to the Imperial Clearing Office. Such advance shall not exceed half of the sum to which there is reason to anticipate that the creditor will be entitled under the final account; in so far as it is proved that the money will be used for the resumption of business,<sup>1</sup> the advance may be increased to an amount not exceeding three-fourths of that sum. In fixing the amount of the advance, regard shall be had to the interests of the Government in respect of taxation.

The consent of the Finance Office may only be withheld in cases where there is reason to assume that a claim by the Empire in respect of taxes would be endangered by the payment in advance. Such consent shall be treated as having been given if the Finance Office, upon the expiration of three weeks from the time at which the request for observations is addressed to it by the Imperial Clearing Office, has raised no objection.

The granting of the advance and likewise the consent of the Finance Office may be made conditional upon the furnishing of a security.

If an advance has been granted in respect of a claim expressed in foreign currency, there shall be deducted from the nominal amount of the claim in the final account in respect thereof such sum as is arrived at by converting the amount advanced into the foreign currency at the average rate recorded on the Berlin Stock Exchange on the date upon which the advance was made. The provision contained in Article 34, paragraph 2, shall apply *mutatis mutandis*.

NOTE.—In the case of a sterling claim, the sterling equivalent of the advance, not upon the date of final settlement but upon the date the advance was made, is deducted. Under this arrangement the creditor forfeits any currency profit and escapes any currency loss on the amount advanced which might result from a fall or rise in the value of the mark in relation to sterling during the intervening period.

<sup>1</sup> The text as given by Lehmann varies here from the *Imperial Law Gazette* and reads "business abroad."

## ARTICLE 42

The provisions of the fifth section of the second part of the Imperial Taxation Law shall apply *mutatis mutandis* to the recovery of payments which have to be made under an Order of the Imperial Clearing Office, provided that the Imperial Clearing Office shall, for such purpose, take the place of the Finance Offices.

## ARTICLE 43

The provisions of Section II (3) shall not apply to claims and debts as between German nationals and the nationals of newly-formed States (Article 296 (d), paragraph 4, of the Treaty of Peace), unless they are assimilated to the nationals of another State under Article 10, paragraph 2, nor to debts and claims as between German nationals and the inhabitants of such States who, under Article 10, paragraph 2, are to be treated upon the same footing as the nationals thereof.

The Imperial Minister for Reconstruction shall be authorized to extend those provisions to the claims and debts specified in paragraph 1 of this Article, or to issue further regulations with regard thereto.

III. CO-OPERATION OF THE IMPERIAL CLEARING OFFICE  
IN THE SETTLEMENT OF PECUNIARY OBLIGATIONS  
OTHERWISE THAN UNDER THE CLEARING SYSTEM

NOTE.—The object of this section is to afford assistance to German debtors who owe debts in a foreign currency which do not fall within the scope of the Clearing System, and who do not, therefore, benefit by the provisions contained in Section II.

## ARTICLE 44

The provisions of Section III of this Law shall apply :

1. to the debts of German nationals specified in Articles 296 and 72 of the Treaty of Peace in cases where, by virtue of the provisions of Article 296 (e), or by reason of their previous discharge, or upon other grounds, they do not fall to be settled through the intervention of the Examining and Clearing Offices ;

NOTE.—The words “ by virtue of the provisions of Article 296 (e) ” refer to cases in which the Clearing System is not adopted by the Allied or Associated Power concerned.

2. to pecuniary obligations not specified in Articles 296 and 72 of the Treaty of Peace on the part of German nationals, who, during the war, or at the time of the coming into force of this Law were domiciled within the German Empire, towards natural or juridical persons

or mercantile associations of other kinds domiciled within the territory of an Allied or Associated State during the period of the war between that State and the German Empire, in so far as the legal relations upon which such obligations are founded arose before the outbreak of war, and in so far as such obligations were due to be discharged before the termination of the war, and the discharge thereof was, after the commencement of the war, postponed upon some valid ground ;

NOTE.—Dr. Lehmann instances the following classes of obligations as falling, *inter alia*, within this category, viz. : (a) obligations towards persons who, though resident within the territory of an Opposing Power, are not nationals of an Opposing Power ; (b) obligations in the case of which one of the parties was not resident in the territory of an Opposing Power upon the actual date of the coming into force of the Treaty.

3. to pecuniary obligations not specified in Articles 296 and 72 on the part of German nationals who, during the war or at the time of the coming into force of this Law, were domiciled within the German Empire, towards natural or juridical persons or mercantile associations of other kinds who, during the period between the commencement of the war with France and the 10th November, 1918, were domiciled in Alsace-Lorraine, in so far as the legal relations upon which such obligations are founded, arose before the 11th November, 1918, and in so far as such obligations were due to be discharged before the 10th January, 1920, and their settlement either took place immediately after the 10th November, 1918, or was postponed upon some valid ground.

The provision contained in Article 24, paragraph 3, shall apply *mutatis mutandis*.

#### ARTICLE 45

The following shall be treated as domiciled within a territory within the meaning of Article 44 ; natural persons who have their domicile therein or—in so far as regards claims and obligations which have arisen in the course of their trade—their principal trading establishment therein, likewise juridical persons and mercantile associations of other kinds having their place of business therein.

The owner of an industrial undertaking which maintains only a branch, and not its principal establishment, within a territory shall, in so far as regards claims or obligations which have arisen in the course of carrying on the business of the branch, be treated as also resident within such territory.



## ARTICLE 46

A debtor who has incurred an obligation falling under Article 44 which was originally expressed in German currency, but which, by virtue of some special rule of law, had nevertheless to be discharged in a foreign currency, may, in so far as he has not in discharging such obligation contravened any Decree prohibiting payments, demand from the Imperial Clearing Office reimbursement of the difference between the costs of obtaining the tender which he has used for discharging the obligation and the nominal amount of his debt, in so far as such costs do not exceed the value of the tender in question at the rate of exchange of the day.

A debtor whose obligation falls under Article 44, and is expressed in a foreign currency, may, in so far as he has discharged the same without contravening any Decree prohibiting payments, demand from the Imperial Clearing Office reimbursement of the difference between the costs of obtaining the tender which he is obliged to use and has in fact used for discharging the obligation and the value of the nominal amount of his debt at the pre-war rate of exchange, in so far as such costs do not exceed the value of the tender in question at the rate of exchange of the day.

NOTE.—The object of this Article is to compensate the German debtor who has to procure foreign currency for any actual loss which he may sustain through the depreciation of the mark. In other words, he is put in as favourable a position as if his debt was one which fell within the scope of the Clearing System.

## ARTICLE 47

The rights specified in Article 46 shall lapse if the party entitled does not assert them against the Imperial Clearing Office within six months after the discharge of the obligation or within six months after the coming into force of this Law, and if he does not, at latest within such reasonable period as may be indicated to him by the Imperial Clearing Office, prove the existence of or discharge of the obligation by submitting documentary evidence and furnishing a declaration in lieu of oath.

The decision with regard to the rights specified in Article 46 shall rest with an Arbitral Board of the Imperial Clearing Office.

## ARTICLE 48

The provisions of Article 29, paragraphs 1 to 3, shall apply *mutatis mutandis* to a debtor who asserts a right of the kind specified in Article 46, paragraph 2.

If the debtor fails to discharge the obligations incumbent upon him under paragraph 1, his claim shall be rejected unless his obligation had, by virtue of some special rule of law, to be settled in a currency other than that in which it was expressed; in this latter case his claim shall be limited to reimbursement of the difference between the costs of obtaining the tender used by

him in discharging the obligation—in so far as they do not exceed the value of such tender at the rate of exchange of the day—and the value at the rate of the day of the nominal amount of his debt.

The amount which is ascertained under Article 30, paragraph 2, to be currency profit realized by the debtor shall be deducted from the amount which he is entitled to claim under Article 46, paragraph 2. If the obligation has by virtue of some special rule of law to be discharged in a currency other than that in which it is expressed, the debtor's claim shall not be reduced below the limit indicated in the second half sentence of paragraph 2 of this Article.

The provisions of Article 31 and 32 shall apply *mutatis mutandis*.

#### ARTICLE 49

For the purpose of calculating the rate of exchange of the day for the purpose of Articles 46 and 48 regard shall be had to the average rate of exchange recorded upon the Berlin Stock Exchange for the day upon which the obligation was discharged. The provisions of Article 34, paragraph 2, shall apply *mutatis mutandis*.

Interest at the rate of 5 per cent. shall be paid upon the amount due by the Imperial Clearing Office to the debtor as from the day upon which the obligation was discharged.

For the rest the provisions of Article 9, paragraph 2, and of Articles 33, 34, 35, 37, 39, 40 and 42 shall apply *mutatis mutandis* to the settlement of accounts with the debtor.

#### ARTICLE 50

Even before the debtor has discharged his obligation an advance shall, subject to the consent of the competent Finance Office, be accorded to him upon application, out of the amount which he is entitled to claim under Articles 46 to 48, provided he proves the facts upon which his claim is founded. In fixing the amount of the advance regard shall be had to the interests of the Government in respect of taxation.

The provisions of Article 41, paragraphs 2 and 3, shall apply *mutatis mutandis*.

#### IV. MEANS OF CONTESTING AT LAW THE ORDERS AND DECISIONS OF THE IMPERIAL CLEARING OFFICE

#### ARTICLE 51

The party concerned shall have a right of appeal to the Imperial Economic Court (Reichswirtschaftsgericht) against the accounts of the Imperial Clearing Office, and likewise against its orders and decisions whether made under Articles 6, 15, 18, 21, 22 paragraph 2, 31 paragraph 2, 39 paragraph 2, 40 paragraph 2, 41, 46 and 50, or made in the course of proceedings

for recovery. The same shall apply to decisions pronounced in the course of taking evidence before the Imperial Clearing Office in so far as an Arbitral Board of that Office is not competent under Article 7, paragraph 2, to deal with the appeal.

The President of the Imperial Clearing Office shall also have a right of appeal to the Imperial Economic Court against the orders and decisions of an Arbitral Board of the Imperial Clearing Office in so far as they do not relate solely to procedure.

The decision of the Imperial Economic Court shall be final.

#### ARTICLE 52

The appeal shall be lodged with the competent department of the Imperial Clearing Office, or with the Imperial Economic Court within a month after the delivery of the contested order or decision, by handing in a notice of appeal (*Beschwerdeschrift*). If the notice of appeal is handed in to the Imperial Economic Court, the President shall immediately communicate it to the Imperial Clearing Office.

If the Imperial Clearing Office considers the appeal to be well founded it shall grant the redress sought for; otherwise the appeal shall be laid before the Imperial Economic Court within a week.

#### ARTICLE 53

The execution of the contested order or decision, and in particular the obligation to make the payments involved, shall not be postponed by the lodging of the appeal. The Imperial Clearing Office may, however, order that the execution shall be stayed.

The Imperial Economic Court, or before it sits the President thereof, may, pending the decision, issue a provisional order; he may in particular order that the execution of the contested order or decision shall be stayed.

#### ARTICLE 54

The Imperial Economic Court, or before it sits the President thereof, may demand from the Imperial Clearing Office the information necessary to elucidate the matter at issue. The inquiries necessary for this purpose shall be instituted by the Imperial Clearing Office.

#### V. *CANCELLATION OR ALTERATION OF CONTRACTS RELATING TO PAYMENT IN FOREIGN CURRENCY OR TO THE DELIVERY OF FOREIGN TENDER*

#### ARTICLE 55

A contract concluded before the outbreak of war or during the war, by virtue of which a German national resident within the territory of the Empire is under an obligation to another

German national resident within the territory of the Empire, to make a payment in foreign currency or to deliver foreign tender, may, provided such contract is, or was, as regards one of the contracting parties, directly related to a German claim against or debt due to a person resident in an Allied or Associated State which falls within the provisions of this Law, upon application by the debtor be cancelled or altered by a final decision of the Imperial Economic Court, if its maintenance would unduly prejudice the debtor or if the conditions which have induced one of the contracting parties to conclude the contract have been wholly or partially brought to an end by the provisions of the Treaty of Peace or of this Law.

In arriving at a decision regard shall be had to the interests of both contracting parties which shall be weighed against each other.

NOTE.—From the explanatory note upon this Article in Dr. Lehmann's commentary, it would appear that the following is the kind of case which the Article has in view, viz. the case in which a German importer has contracted to buy British goods and resell them to a German third party, such third party having on his part contracted to pay for the goods in sterling. In such a case the German importer would be entitled to claim the payment in sterling, although he would himself be allowed to discharge his obligation to the Clearing Office in marks at the pre-war rate of exchange (see Article 27), which would be manifestly unfair to the third party.

#### ARTICLE 56

The Imperial Economic Court, or before it sits the President thereof, may issue a provisional order before the decision is pronounced. It may in particular be ordered that the execution of the contract shall be stayed pending the final decision.

If the Imperial Economic Court comes to the conclusion that the maintenance of the contract would cause serious economic damage to the debtor, but that it would not be possible to obviate such damage by cancelling or altering the contract without causing serious economic damage to the creditor, the Court may, before pronouncing, or at the time of pronouncing its decision, submit to the Imperial Minister for Reconstruction a proposal that relief shall be given to one of the contracting parties out of the fund specified in Article 8.

#### ARTICLE 57

If a contract has been cancelled or altered by virtue of Article 55, the provision contained in that Article shall apply *mutatis mutandis* to any further contracts between Germans resident within the territory of the Empire which are connected therewith, and which relate to payment in the same currency or to the delivery of tender in the same currency.



VI. PARTICIPATION OF THIRD PARTIES IN PROCEEDINGS  
BEFORE THE IMPERIAL CLEARING OFFICE, THE IMPERIAL  
ECONOMIC COURT, AND THE COURTS OF ARBITRATION

ARTICLE 58

Any person who has a legal interest in the granting of an application made by the German party in the course of proceedings for establishing a claim or debt, or of proceedings for carrying into effect the provisions contained in Sections II (3), III and V of this Law may, upon application, for the purpose of supporting such party in the proceedings before the Clearing Office or before the Imperial Economic Court, himself be admitted as a participant in the proceedings.

Articles 67 to 69 of the Code of Civil Procedure shall apply *mutatis mutandis* to the legal status of such participant in the proceedings, and to the effect as regards such participant of the decision of the Imperial Clearing Office and of the Imperial Economic Court.

ARTICLE 59

A German party who considers himself entitled to claim against a third party under a guarantee or indemnity in the event of the result of the proceedings specified in Article 58 being unfavourable to him, or who is claiming on behalf of a third party may, at any time before the proceedings are finally disposed of, serve such third party with a third party notice. Such third party is in his turn entitled to serve a similar notice upon another.

If such third party intervenes on the side of the party serving the notice he has the legal status of a participant. If he does not declare that he consents to do so the proceedings shall be continued without regard to him. In either case Article 68 of the Code of Civil Procedure shall, *mutatis mutandis*, apply to him provided that instead of the time of intervention the material time shall be that at which it was first possible for him to intervene in consequence of the notice.

The third party notice and likewise the intervention shall be effected by the delivery of a document in writing, a copy of which shall be furnished to the authority before whom the proceedings are pending. The document embodying the third party notice shall state the grounds of the proceedings and the stage which they have reached.

ARTICLE 60

If a dispute with regard to the existence or the amount of a German claim or debt is referred under Clauses 16 and 20 of the Annex to Article 296 of the Treaty of Peace, to a Court of Arbitration or to the Mixed Arbitral Tribunal, the German party shall, be bound to communicate to the participant (Articles 58

and 59, paragraph 2) all facts material to the issue, in particular the declarations of the opposite party and of the Examining and Clearing Offices, the orders and decisions of the Court of Arbitration or of the Mixed Arbitral Tribunal, and the results of the evidence taken, and shall be bound also at the request of the participant to procure his admission to conferences and examinations in so far as it is permissible.

The participant may not as between himself and the party be allowed to contend that the issue submitted to the Court of Arbitration or to the Mixed Arbitral Tribunal has been wrongly adjudicated upon. He may be allowed to contend that the opposite party has conducted the action before the Court of Arbitration or the Mixed Arbitral Tribunal in an irregular manner, but only in so far as the irregularity complained of had already arisen at the time of his admission as a participant, or in so far as he had unsuccessfully attempted to prevent the irregularity or was debarred from doing so by the non-fulfilment of the obligation incumbent upon the party under the provisions of paragraph 1.

The provisions of paragraph 2 shall apply to the relations between the party serving the notice and the third party even if the third party does not intervene on the side of the party serving the notice.

#### ARTICLE 61

If a surety is liable for a German debt, or if a piece of land or a pledge not forming part of the property of the debtor is charged therewith, the Imperial Clearing Office may invite the surety, or the owner of the land, or the person to whom the pledged property belongs, to participate in the proceedings for the determination of the debt or in the proceedings for carrying into effect against the debtor the provisions contained in Sections II (3) and III of this Law. Such invitation shall as regards the relations between the German Empire and the recipient have the effect of a third party notice.

The provisions of Article 59, paragraph 1, sentence 2, and paragraphs 2 and 3, and the provisions of Article 60 shall apply *mutatis mutandis*.

### VII. PENAL PROVISIONS

#### ARTICLE 62

Any person who

- (1) wilfully and with the knowledge that he is breaking the law contravenes any of the prohibitions contained in Article 11; or
- (2) adopts measures for the purpose of evading or deceiving the Imperial Clearing Office with regard to the matters dealt with in this Law

shall be liable to imprisonment for a period not exceeding three years, and to a fine not exceeding fifty thousand marks, or to one or other of these penalties.

In the case of an offence of the kind specified under (1) the attempt is punishable.

In addition to the penalty the property obtained by means of the unlawful act shall be confiscated for the benefit of the Imperial Treasury.

#### ARTICLE 63

If the contravention specified in Article 62 under (1) takes place through negligence, the offender shall in that case be liable to imprisonment for a period not exceeding six months, and to a fine not exceeding twenty thousand marks, or to one or other of these penalties.

In addition to the penalty the property obtained by means of the unlawful act may be confiscated for the benefit of the Imperial Treasury.

#### ARTICLE 64

Any person who wilfully omits to effect the notification of a claim incumbent upon him under Article 17 within the period prescribed by the Minister for Reconstruction shall be liable to a fine not exceeding fifty thousand marks, and to imprisonment for a period not exceeding one year, or to one or other of these penalties.

If the omission is due to negligence the offender shall in that case be liable to a fine not exceeding five thousand marks, and to imprisonment for a period not exceeding three months, or to one or other of these penalties.

In the cases specified in paragraphs 1 and 2 no penalty shall be imposed if the notification was effected before the omission came to the knowledge of the Imperial Clearing Office.

#### ARTICLE 65

Any person who in contravention of the provisions contained in Article 5 wilfully fails to observe secrecy shall be liable to imprisonment for a period not exceeding one year and to a fine not exceeding fifteen thousand marks, or to one or other of these penalties.

A prosecution may only take place upon application.

### VIII. FINAL PROVISIONS

#### ARTICLE 66

The Imperial Government is authorized, with the consent of the Imperial Council and of a committee of fifteen members elected by the National Assembly, to issue regulations supplementary to this Law.

The Imperial Minister for Reconstruction may determine at what time a state of war between the German Empire and an Allied or Associated State, within the meaning of this Law, shall be deemed to have commenced.

The detailed regulations with regard to the composition and procedure of the Imperial Economic Court in carrying out the functions assigned to it by this Law shall be issued by the Imperial Minister of Justice.

#### ARTICLE 67

The Imperial Minister for Reconstruction shall, in consultation with the Imperial Minister for Finance, determine by a proclamation published in the *Imperial Law Gazette*, the time of the coming into force of Sections II (3) and III of this Law.

This Law shall otherwise come into force upon the day following its publication except in so far as is otherwise provided in Article 10.





## APPENDICES



## APPENDIX I

### TREATY DATES AND DATES OF GENERAL LICENCES TO TRADE

State.	Date of Com- mencement of War.	Armistice Date.	Treaty Signed at	Date of Signa- ture of Treaty.	Date of General Licence to Trade.	Date of Coming into Force of Treaty.
Germany	Aug. 4, 1914	Nov. 11, 1918	Versailles	June 28, 1919	July 12, 1919	Jan. 10, 1920
Austria	Aug. 12, 1914 (midnight)	Nov. 3, 1918	St. Germain- en-Laye	Sept. 10, 1919	July 12, 1919	July 16, 1920
Hungary	Aug. 12, 1914 (midnight)	Nov. 3, 1918	Trianon	June 4, 1920	Aug. 6, 1919	—
Bulgaria	Oct. 15, 1915	Sept. 29, 1918	Neuilly-sur- Seine	Nov. 27, 1919	Feb. 17, 1919	Aug. 9, 1920
Turkey	Nov. 5, 1914 <sup>1</sup>	Oct. 30, 1918	Sèvres	Aug. 10, 1920	Feb. 17, 1919	—

<sup>1</sup> This was the date of the official notice of a state of war—but it should be observed that the preamble to the Treaty of Sèvres fixes the 29th October, 1914, as the date upon which Turkey opened hostilities against the Allied Powers.



## APPENDIX II

### DATES OF COMMENCEMENT OF WAR BETWEEN GERMANY AND THE ALLIED AND ASSOCIATED POWERS

France . . . . .	On 3rd August, 1914
England . . . . .	„ 4th August, 1914
Belgium . . . . .	„ 4th August, 1914
Serbia . . . . .	„ 6th August, 1914
Montenegro . . . . .	„ 8th August, 1914
Japan . . . . .	„ 23rd August, 1914
Portugal . . . . .	„ 9th March, 1916
Roumania . . . . .	„ 28th August, 1916
Italy . . . . .	„ 28th August, 1916
United States . . . . .	„ 6th April, 1917
Cuba . . . . .	„ 7th April, 1917
Panama . . . . .	„ 10th April, 1917
Siam . . . . .	„ 22nd July, 1917
Liberia . . . . .	„ 4th August, 1917
China . . . . .	„ 14th August, 1917
Uruguay . . . . .	„ 7th October, 1917
Peru . . . . .	„ 8th October, 1917
Brazil . . . . .	„ 26th October, 1917
Guatemala . . . . .	„ 30th April, 1918
Nicaragua . . . . .	„ 8th May, 1918
Honduras . . . . .	„ 19th June, 1918
Haiti . . . . .	„ 12th July, 1918

(See Lehmann, p. 128.)

## APPENDIX III

THE following Dominions, etc., have established Clearing Offices for dealing with claims under Article 296 of the Treaty of Versailles :—

India (including Aden)  
Australia  
Canada  
New Zealand  
Newfoundland.

Of the above, only India and New Zealand have adopted the Clearing System in relation to Austria.

In the following non-self-governing Colonies and Protectorates Clearing Offices have been adopted for both Germany and Austria. All claims by and against persons resident in British overseas possessions have to be expressed in the currency of the possession in question, and conversion into such currency must be effected at the pre-war rate of exchange (see Appendix IV).

	Currency.		Currency.
Bahamas . . . . .	£	Leeward Islands ( <i>continued</i> )	
Barbados . . . . .	£	St. Kitts . . . . .	£
Basutoland . . . . .	£	Barbuda . . . . .	£
Bechuanaland . . . . .	£	Montserrat . . . . .	£
Bermuda . . . . .	£	Malta . . . . .	£
British Guiana . . . . .	£	Mauritius . . . . .	Rs.
British Honduras . . . . .	\$	Nigeria . . . . .	£
Brunei . . . . . (Straits)	\$	North Borneo . . . . . (Straits)	\$
Ceylon . . . . .	Rs.	Nyasaland . . . . .	£
Cyprus . . . . .	£	Rhodesia (North and South)	£
Federated Malay States . . . . .	\$	Sarawak . . . . . (Straits)	\$
Fiji and the Western Pacific . . . . .	£	Seychelles Islands . . . . .	Rs.
Gambia . . . . .	£	Sierra Leone . . . . .	£
Gibraltar . . . . .	£	Straits Settlements . . . . .	\$
Gold Coast . . . . .	£	Swaziland . . . . .	£
Hong Kong . . . . .	\$	Trinidad (and Tobago) . . . . .	£
Jamaica . . . . .	£	Uganda . . . . .	Rs.
Kenya Colony (late B. East Africa) . . . . .	Rs.	Wei-hai-wei . . . . .	\$
Leeward Islands : . . . . .		Windward Islands : . . . . .	
Antigua . . . . .	£	Grenada . . . . .	£
Dominica . . . . .	£	St. Vincent . . . . .	£
		St. Lucia . . . . .	£
		Zanzibar . . . . .	Rs.

The Union of South Africa and Egypt (which includes Sudan) have not adopted Section III of the Treaties of Versailles and St. Germain, and consequently have no Clearing Offices.

# APPENDIX IV

## THE PRE-WAR RATES OF EXCHANGE AS DEFINED IN THE TREATIES OF PEACE

Country.	Currency.	Treaty of Versailles.			Treaty of St. Germain.	Treaty of Neuilly.
			£	s. d.		
America, U.S. .	Dollars	\$	4·8886	= 1 0 0		
Argentina .	Dollars	\$	1·00	= 0 3 11·26		
	(gold)					
	Dollars	\$	1·00	= 0 1 8·79		
	(paper)					
Austria . .	Kronen	K.	24·2208	= 1 0 0	K. 24·236 = £1	
Belgium . .	Francs	Fcs.	25·2877	= 1 0 0	Fcs. 25·2629 = £1	
British Honduras	Dollars	\$	4·8861	= 1 0 0		
Bulgaria . .	Leva				L. 27·1658 = £1	L. 31·50 = £1
Canada . .	Dollars	\$	4·9061	= 1 0 0	\$ 4·879 = £1	
Ceylon . .	Rupees	Rs.	1	= 0 1 3 <sup>15</sup> / <sub>16</sub>		
Chile . .	Peso		1	= 0 0 9 <sup>17</sup> / <sub>32</sub>		
China . .	Taels	Taels	1	= 0 2 5 <sup>5</sup> / <sub>16</sub>		
Denmark . .	Kroner	K.	18·2645	= 1 0 0		
Egypt . .	Piastres	Pts.	97·25	= 1 0 0	Pts. 97·25 = £1	
France . .	Francs	Fcs.	25·157	= 1 0 0	Fcs. 25·1885 = £1	Fcs. 27·3942 = £1
Finland . .	Marks	Mks.	25·4325	= 1 0 0		
Federated Malay States . .	Dollars	\$	1·00	= 0 2 3 <sup>31</sup> / <sub>32</sub>		
Germany . .	Marks	Mks.	20·5075	= 1 0 0	Mks. 20·4693 = £1	
Hong Kong .	Dollars	\$	1·00	= 0 1 9 <sup>13</sup> / <sub>16</sub>		
Holland . .	Gulden	Gn.	12·1262	= 1 0 0	Gn. 12·1195 = £1	
Italy . .	Lira	Lr.	25·4187	= 1 0 0	Lr. 25·2904 = £1	
India . .	Rupees	Rs.	1	= 0 1 3 <sup>15</sup> / <sub>16</sub>	Rs. 15·7921 = £1	
Japan . .	Yen	Yen	1	= 0 2 0·399		
Kenya Colony .	Rupees	Rs.	1	= 0 1 4 <sup>3</sup> / <sub>32</sub>		
Mexico . .	Dollars	\$	1·00	= 0 1 3 <sup>15</sup> / <sub>16</sub>		
Mauritius . .	Rupees	Rs.	15·25	= 1 0 0		
Newfoundland .	Dollars	\$	4·9061	= 1 0 0		
Norway . .	Kroner	Kr.	18·2566	= 1 0 0		
Persia . .	Kran	Kn.	55·5	= 1 0 0		
Portugal . .	Milreis	Ms.	46·398	= 1 0 0	Ms. 45·8114 = £1	
Philippines .	Dollars	\$	9·7772	= 1 0 0		
Russia . .	Roubles	Rbs.	9·5865	= 1 0 0	Rbs. 9·5494 = £1	
Roumania . .	Lei	Lei	25·7531	= 1 0 0	Lei 25·8063 = £1	Lei 25·7969 = £1
Switzerland .	Francs	Fcs.	25·1902	= 1 0 0	Fcs. 25·2025 = £1	Fcs. 24·9404 = £1
Sweden . .	Kronen	K.	18·2637	= 1 0 0		
Spain . .	Pesetas	Ps.	26·12	= 1 0 0	Ps. 25·714 = £1	
Seychelles .	Rupees	Rs.	1	= 0 1 3 <sup>15</sup> / <sub>16</sub>		
Somaliland .	Rupees	Rs.	1	= 0 1 3 <sup>13</sup> / <sub>16</sub>		
Straits Settlements .	Dollars	\$	1·00	= 0 2 3 <sup>13</sup> / <sub>16</sub>		
Shanghai . .	Taels	Tls.	1	= 0 2 5 <sup>8</sup> / <sub>16</sub>		
Turkey . .	Piastres	Ps.	109·776	= 1 0 0	Ps. 109·625 = £1	
Turkey . .	Pounds	£	109·5	= 100 0 0		
Uganda . .	Rupees	Rs.	1	= 0 1 4 <sup>3</sup> / <sub>32</sub>		
Weihaiwei . .	Dollars	\$	1·00	= 0 1 9 <sup>13</sup> / <sub>16</sub>		
Zanzibar . .	Rupees	Rs.	1	= 0 1 3 <sup>15</sup> / <sub>16</sub>		

NOTE.—These rates are as far as can be ascertained the average cable transfer rates for the month preceeding the outbreak of war, viz. from the 5th July till 4th August, 1914, in the case of Germany; from the 13th July till 12th August, 1914, in the case of Austria-Hungary; and from the 16th September till 15th October, 1915, in the case of Bulgaria.

## APPENDIX V

# THE IMPERIAL AND STATE NATIONALITY LAW OF THE 22ND JULY, 1913

### SECTION I GENERAL PROVISIONS

#### ARTICLE 1

EVERY person who possesses the nationality of a Federal State (Articles 3 to 32) or direct Imperial Nationality (Articles 33 to 35) is a German.

#### ARTICLE 2

Alsace-Lorraine shall be treated as a Federal State for the purposes of this Law. The Protectorates shall for the purposes of this Law be treated as German territory.

### SECTION II NATIONALITY OF A FEDERAL STATE

#### ARTICLE 3

The nationality of a Federal State may be acquired :

- (1) By birth (Article 4).
- (2) By legitimation (Article 5).
- (3) By marriage (Article 6).
- (4) In the case of a German by admission (Articles 7, 14, 16).
- (5) In the case of a foreigner by naturalization (Articles 8 to 16).

#### ARTICLE 4

The legitimate child of a German acquires at birth the nationality of the father ; the illegitimate child of a German acquires at birth the nationality of the mother.

A child found within the territory of a Federal State (foundling) is treated as the national of such Federal State until the contrary is proved.

#### ARTICLE 5

Legitimation by a German in a manner recognized as effective under German law confers upon the child the nationality of the father.

#### ARTICLE 6

By marriage with a German, a woman acquires the nationality of her husband.

#### ARTICLE 7

Admission must, upon application, be granted to a German (*vide* Article 1) by any Federal State within whose territory he has taken up his residence, provided no ground exists which, under Articles 3 to 5 of the Immigration



Law of the 1st November, 1867,<sup>1</sup> justifies the exclusion of an immigrant, or the prohibition of continued residence.

The application of a wife requires the consent of the husband; in the absence of such consent, the consent of the Guardianship Authorities may be substituted therefor. In the case of a person under parental control or guardianship, who has not yet reached his or her sixteenth year, the application must be made by the legal representative of such person; if such person has attained his or her sixteenth year, the application requires the consent of his or her legal representative.

#### ARTICLE 8

A foreigner who has taken up his residence in German territory may, upon application, be granted naturalization by the Federal State within whose territory he has become resident, provided:—

- (1) that under the laws of his former native State he is treated as fully capable of managing his own affairs, or would, under German law, be treated as fully capable of managing his own affairs, or that the application is made by his legal representative, or with the consent of his legal representative, as provided in Article 7, paragraph 2, sentence 2.
- (2) that his record is unimpeachable;
- (3) that he has obtained a dwelling of his own, or a lodging in the place where he has taken up his residence, and
- (4) that he is in a position to maintain his family in that place.

Before naturalization is granted, the Parochial Authority of the place of residence of the applicant and, in so far as such Authority does not constitute an independent Poor Law Union, the Union also, must be heard on the question whether or not the applicant fulfils the conditions prescribed under (2) to (4).

#### ARTICLE 9

Naturalization by a Federal State may not take place until it has been ascertained through the Imperial Chancellor that no other Federal State has raised an objection thereto; if any Federal State raises an objection, the question shall be decided by the Federal Council. An objection may only be raised upon grounds which justify the apprehension that the naturalization of the applicant would endanger the safety of the Empire or of a Federal State.

The provisions of paragraph 1 of this Article shall not apply:—

- (1) To former nationals of the Federal State to whom the application is made, or to their children or grandchildren, or to persons who have been adopted by a national of such State, unless the applicant is a national of a foreign State.
- (2) To foreigners born within the German Empire, if they have permanently resided within the Federal State to which the application is made until the completion of their twenty-first year, and apply for naturalization within two years from that date.

#### ARTICLE 10

The widow or divorced wife of a foreigner, who was a German at the time of her marriage, must, upon application, be granted naturalization by the Federal State within whose territory she has taken up her residence, provided she fulfils the conditions prescribed in Article 8, paragraph 1, Nos. (1) and (2). Before she is naturalized, the Parochial Authority of her place of residence must be heard on the question whether or not she fulfils the conditions prescribed in No. (2) of that Article.

<sup>1</sup> Gesetz über die Freizügigkeit.

## ARTICLE 11

A former German national who, while a minor, has lost his Imperial nationality by discharge, must, upon application, be granted naturalization by the Federal State within whose territory he has taken up his residence, provided he fulfils the conditions prescribed in Article 8, paragraph 1, and makes his application within two years from the date on which he attains his majority. The provision contained in Article 8, paragraph 2, shall apply.

## ARTICLE 12

A foreigner who has served as a German in the Army or Navy for a year or more, must, upon application, be granted naturalization by the Federal State within whose territory he has taken up his residence, provided he fulfils the conditions prescribed in Article 8, paragraph 1, and provided his naturalization would not endanger the safety of the Empire or of a Federal State. The provisions of Article 8, paragraph 2, and of Article 9, paragraph 1, shall apply.

## ARTICLE 13

A former German national who has taken up his residence in German territory may, upon application, be granted naturalization by the Federal State to which he formerly belonged, provided he fulfils the conditions prescribed in Article 8, paragraph 1, under Nos. (1) and (2); any person descended from or adopted by a former German national shall be treated as a former German national for the purposes of this Article. Before naturalization takes place, the Imperial Chancellor shall be notified; the grant of naturalization shall be withheld if the Imperial Chancellor takes exception thereto.

## ARTICLE 14

An appointment made or confirmed by the Government or by the Central or Higher Administrative Authority of a Federal State in the direct or indirect service of the State, in the service of a Parish or of a Parochial Union, in the service of the Public Education Authorities or in the service of a Religious Body recognized by the Federal State, shall, in the case of a German national, be treated as admission, and in the case of a foreigner, as naturalization, provided no reservation to the contrary is contained in the document appointing him or confirming his appointment.

This provision does not apply to an appointment as an Officer or Official of the Reserve.

## ARTICLE 15

If a foreigner is appointed to the Imperial Service, and has his official domicile in a Federal State, such appointment shall be treated as naturalization by such Federal State, unless a reservation to the contrary is contained in the document appointing him.

If the person so appointed has his official domicile abroad, and draws his salary from the Imperial Treasury, he must, upon application, be granted naturalization by the Federal State to which he applies; if he does not draw any salary from the Imperial Treasury, he may be naturalized with the consent of the Imperial Chancellor.

## ARTICLE 16

The admission or naturalization becomes effective from the moment of the issue of the certificate made out by the Higher Administrative Authority with respect thereto, or of the document conferring an appointment under the conditions laid down in Article 14 or in Article 15, paragraph 1.

Unless a reservation to the contrary is contained in the certificate, the admission or naturalization extends also to the wife and to those children of whom the person admitted or naturalized is the legal representative by virtue of parental control. Daughters who are married, or have been married, are excepted from this provision.

ARTICLE 17<sup>1</sup>

Nationality is lost :

- (1) By discharge (Articles 18 to 24).
- (2) By the acquisition of a foreign nationality (Article 25).
- (3) By the non-fulfilment of military obligations (Articles 26, 29).
- (4) By the decision of the Authorities (Articles 27 to 29).
- (5) In the case of an illegitimate child by the child being legitimized in a manner recognized as valid under German law, either by the national of another Federal State or by a foreigner.
- (6) In the case of a German woman by marriage with a national of another Federal State or with a foreigner.

## ARTICLE 18

The discharge of a married woman can only be applied for by her husband, and if the latter is a German, can only be applied for in conjunction with an application for his own discharge. Such an application requires the consent of the wife.<sup>2</sup>

## ARTICLE 19

The discharge of a person who is under parental control or of a ward can be applied for only by his or her legal representative, and only with the consent of the German Court of Guardianship. The Attorney-General's Department, as well as the applicant, has a right of appeal against the decision of the Court of Guardianship ; the further right of appeal against the decision of the Court of Appeal is unrestricted.

The consent of the Court of Guardianship is unnecessary if the father or the mother apply for their own discharge, and at the same time, by virtue of parental control, apply for the discharge of a child, and if the applicant is responsible for the care of the child in question. If the powers of a person appointed to assist the mother in the discharge of her parental duties extend to the care of the child, the mother must obtain the consent of such person when applying for the discharge of the child.

## ARTICLE 20

Discharge from the nationality of any Federal State involves simultaneous discharge from the nationality of every other Federal State, unless the person discharged indicates his intention to retain the nationality of some other Federal State by lodging a declaration to that effect with the competent Authority of the State discharging him. The fact must in such a case be noted in the certificate of discharge.

## ARTICLE 21

A discharge must be granted to every national of a German State upon application, if he is a national of another Federal State, and indicates his intention to retain the nationality of such State in accordance with the provisions of Article 20.

## ARTICLE 22

Except under the conditions specified in Article 21, a discharge will not be granted to the following :

- (1) Persons liable for military service whose obligations in respect of such service have not been finally determined, unless they can

<sup>1</sup> The grounds upon which nationality is lost are set out exhaustively in this Article. It follows that other grounds for the loss of nationality no longer exist. For example, uninterrupted residence abroad for ten years without registration at a German Consulate no longer constitutes a ground for the loss of nationality.

<sup>2</sup> Under the old Naturalization Law of 1870, a husband was in a position to deprive his wife of her nationality without her consent.



produce a certificate from a Substitution Committee to the effect that the Committee are convinced that the discharge is not applied for with the intention of evading active service.

- (2) Members of the Active Army, Active Navy, or Active Militia.
- (3) Reservists of the classes specified in Article 56, paragraphs 2 to 4, of the Imperial Military Law, unless they have obtained the consent of the Military Authorities.
- (4) Reservists of other classes after they have been called up for Active Service.
- (5) Officials and Officers, including Reservists, until they have been discharged from service.

A discharge may not be refused in time of peace upon any other grounds than those specified in paragraph 1 of this Article. The power to issue special regulations in time of war or when war is imminent is reserved to the Emperor.

#### ARTICLE 23

The discharge becomes operative from the moment of the issue of a certificate of discharge drawn up by the Higher Administrative Authority of the State of which the applicant is a national. Such certificate will not be issued to persons who are under arrest, or whose arrest or imprisonment has been ordered by a Court or by the Police.

If the discharge is to extend to the wife or children of the applicant, the names of such persons must be set out in the certificate.

#### ARTICLE 24

The discharge becomes void if, on the expiration of one year from the day on which the certificate is issued, the discharged person is still domiciled or permanently resident in Germany.

This provision does not apply in cases where the discharged person has retained the nationality of another Federal State under the provisions of Article 20.

#### ARTICLE 25

A German who is neither domiciled nor permanently resident in German territory loses his or her nationality by acquiring the nationality of a Foreign State, if such nationality is acquired at his or her own instance, or at the instance of a husband or legal representative; provided that, in the case of a wife or legally represented person, the circumstances are such as would enable a discharge to be applied for under Articles 18 and 19.<sup>1</sup>

A person who, prior to the acquisition of a foreign nationality, has, upon application, received permission in writing from the competent Authority of his native State to retain the nationality of that State, does not lose his nationality. The German Consul must be heard before such permission is granted.

With the concurrence of the Federal Council, the Imperial Chancellor may order that the consent referred to in paragraph 2 of this Article shall not be granted to persons who desire to acquire the nationality of a particular Foreign State.

#### ARTICLE 26

A German liable for military service, who is domiciled or permanently resident in Germany, loses his nationality upon the expiration of his thirty-first year if he has not before that time obtained a final decision with regard

<sup>1</sup> In the case of a wife, the husband, if a German, must be applying at the same time for his own discharge, and must have obtained the consent of the wife to apply for hers. In the case of persons who are under parental control or guardianship, the requisite consent of the German Court of Guardianship must have been obtained.



to his obligation to serve unless such decision has in his case been postponed to a later date.

A German deserter, who is neither domiciled nor permanently resident in Germany, loses his nationality on the expiration of two years from the publication of the decision by virtue of which he has been declared a deserter (Article 360 of the Military Penal Code). This provision does not apply to members of the Reserve or of the Military or Naval Militia, or of the Second Reserve who have been declared to be deserters on the ground that they have not responded to a call-up notice, except when they have been called up after the issue of a proclamation warning the population to be prepared for war, or after mobilization has been ordered.

A person who has lost his nationality by virtue of the provisions of paragraph 1 or 2 of this Article, may not be granted naturalization by a Federal State, until the Military Authorities have been consulted. If he proves that he was not at fault, he cannot be refused naturalization by the Federal State of which he was previously a national.

#### ARTICLE 27

A German resident abroad may be declared by the Central Authority of his native State to have forfeited his nationality if, in the event of war or danger of war, he fails to respond to a notice of recall<sup>1</sup> issued by order of the Emperor.

If he is a national of several Federal States, he loses, as a result of such decision, the nationality of all of them.

#### ARTICLE 28

A German who, without the permission of his Government, has entered the service of a Foreign State, may be declared by the Central Authority of his native State to have forfeited his nationality if he fails to respond to a summons to quit such service.

If he is a national of several Federal States, he loses, as a result of such decision, the nationality of all of them.

#### ARTICLE 29

The loss of nationality in the cases specified in Article 26, paragraphs 1 and 2, and in Articles 27 and 28, and the reacquisition of nationality in the cases specified in Article 26, paragraph 3, sentence 2, extends also to the wife, and to those children of whom the denaturalized or renaturalized person is the legal representative by virtue of parental control, in so far as the wife or the children are residing with him. Daughters who are, or have been, married are excepted from this provision.

#### ARTICLE 30

A former German national who, before the coming into force of this Law, has lost his Imperial nationality by discharge, but who, under the provision contained in Article 24, paragraph 1, would be treated as not having been discharged, must, upon application, be granted naturalization by the Federal State within whose territory he has taken up his residence, provided he has retained his residence in Germany since the time specified in Article 24, paragraph 1, and fulfils the conditions specified in Article 8, paragraph 1, and provided he makes the application within a year after the coming into force of this law. The provision contained in Article 8, paragraph 2, shall in such a case apply.

#### ARTICLE 31

A former German national who, before the coming into force of this Law, has, by virtue of Article 21 of the Law Relating to the Acquisition and Loss

<sup>1</sup> Such notice may be either general or personal.

of Federal and State Nationality of the 1st June, 1870,<sup>1</sup> lost his Imperial nationality by residence abroad for a period of ten years, must, if he is not a national of any State, be granted naturalization by the Federal State within whose territory he has taken up his residence.

The same shall apply in the case of a former national of a Federal State, or of a State incorporated in a Federal State who, before the coming into force of the Law of the 1st June, 1870, had already under state law lost his nationality by residence outside his native State.

#### ARTICLE 32

A German liable to Military Service who, at the time of the coming into force of this Law, is neither domiciled nor permanently resident in Germany, and who before that time has attained his twenty-ninth, but not his forty-third year, loses his nationality after the expiration of two years, if within that time he has not obtained a final decision with regard to his obligation to serve.

A German deserter of the kind specified in Article 26, paragraph 2, who at the time of the coming into force of this law is neither domiciled nor permanently resident in Germany, and who has not before that time attained his forty-third year, loses his nationality after the expiration of two years, if he has not within that period presented himself before the Military Authorities.

The provisions of Article 26, paragraph 3, and of Article 29, shall apply *mutatis mutandis*.

### SECTION III

#### DIRECT IMPERIAL NATIONALITY

#### ARTICLE 33

Direct Imperial Nationality may be granted :

- (1) To a foreigner who has taken up his residence in a Protectorate, or to a native of a Protectorate;
- (2) To a former German national who has not taken up his residence in German territory ; any person descended from, or adopted by, a former German national shall for this purpose be treated upon the same footing as a former German national.<sup>2</sup>

#### ARTICLE 34

Direct Imperial Nationality must, upon application, be granted to a foreigner who is employed in the Imperial Service, and whose official domicile is abroad if he is in receipt of a salary from the Imperial Treasury ; it may be conferred upon him if he is not in receipt of such a salary.

<sup>1</sup> Bundesgesetzblatt, p. 355.

<sup>2</sup> Under the Law of 1870, Imperial Nationality was conditional upon State Nationality, and no person who was not a national of one of the Federal States could be a national of the Empire. It was desired to encourage by every possible means persons of German extraction resident in foreign countries to resume their German allegiance. It was obvious that such persons would as a rule have greater interest in becoming citizens of the German Empire than in reacquiring the nationality of a particular German Federal State, and in the case of descendants, it might often be very difficult for them to ascertain to what particular State their forefathers had belonged. It should be observed that the new Law has in no way modified the rule that whoever acquires the nationality of a Federal State thereby acquires Imperial Nationality. The effect of a grant of Imperial Nationality upon the members of the applicant's family is the same as in the case of admission or naturalization (see Article 16, paragraph 2).

## ARTICLE 35

All the provisions of this Law relating to the nationality of a Federal State, with the exception of those contained in Article 4, paragraph 2, Article 8, paragraph 2, Article 10, sentence 2, Article 11, sentence 2, Article 12, sentence 2, and Articles 14 and 21, shall apply, *mutatis mutandis*, to direct Imperial Nationality provided that the Imperial Chancellor shall take the place of the Central Authority of the Federal State, and that the Imperial Chancellor, or the Authority appointed by him, shall take the place of the Higher Administrative Authority.

## SECTION IV

## FINAL PROVISIONS

## ARTICLE 36

Conventions concluded between Federal States and Foreign States before the coming into force of this Law shall not be affected thereby.

## ARTICLE 37

Wherever reference is made in Imperial or State Laws to the provisions of the Law relating to the Acquisition and Loss of Federal and State Nationality of the 1st June, 1870, or to those of the Law relating to the Naturalization of Foreigners holding Appointments in the Imperial Service of the 20th December, 1875, the relevant provisions of this Law shall take the place of the provisions so referred to.

## ARTICLE 38

In the cases referred to in Article 7, in Articles 10, 11, 12, 30, and 31, and in the first half-sentence of Article 34, the certificates of admission or naturalization shall be issued free of cost. The same shall apply to the issue of certificates of discharge in the cases referred to in Article 21.

Where certificates of discharge are issued in cases other than those specified in Article 21, the stamp dues and fees for issue must not exceed the inclusive sum of 3 marks.

## ARTICLE 39

The Federal Council shall make regulations with regard to the form of certificates of admission, naturalization and discharge, and also with regard to the form of any documents which may be used for the purpose of certifying nationality.

The Central State Authorities shall determine what Authorities shall, for the purposes of this Law, be treated as Higher Administrative Authorities and as Military Authorities.

## ARTICLE 40

There shall be a right of appeal against the rejection of an application for admission under Article 7, or of an application for naturalization in the cases specified in Articles 10, 11, 15, Article 26, paragraph 3, Articles 30, 31, and Article 32, paragraph 3, or of an application for discharge in the cases specified in Articles 21 and 22.

What authorities are to be competent to hear appeals, and what procedure is to be followed, shall be determined in accordance with State Laws or, in the absence of State Legislation, in accordance with Articles 20 and 21 of the Industrial Code.

## ARTICLE 41

This Law shall come into force on the 1st January, 1914, simultaneously with a Law amending the Imperial Military Law, and amending the Military Service Amendment Law of the 11th February, 1888.

## APPENDIX VI

### FORM USED BY THE GERMAN CUSTODIAN WHEN NOTIFYING HIS INTENTION TO TAKE ENEMY PROPERTY UNDER HIS ADMINISTRATION

MOHRENSTRASSE 34,  
BERLIN, W.8.

THE CUSTODIAN OF ENEMY PROPERTY,  
Reference No.

*(to be used in answering)*

According to the Notification Form C lodged by you on the .....  
day of ..... the enemy national—

*(Here follows the description of the enemy creditor)*

has a claim against you .....  
amounting to .....

In accordance with Article 2 of the Decree relating to the Custodian of Enemy Property of 19th April, 1917, I intend to take this claim under my administration, and the right of disposal over such claim is accordingly transferred to me. Counter-claims or other claims against the enemy creditor are not affected hereby.

By virtue of Article 7 of the aforementioned Decree I request that you will pay interest on the above-mentioned debt, as from the 1st April, 1917, at the rate applicable in the case of delayed payment, or at the rate agreed upon with the creditor, that you will place such interest to my account at the Reichsbank in Berlin, on the first day of every calendar half-year, beginning from the 1st January, 1918, and that you will notify me of the payment on each occasion.

I do not intend for the present to require, under Article 6 of the aforementioned Decree, settlement of the claims taken under administration by me, but it is open to you, under Article 3 of the said Decree, to free yourself from liability by placing to my credit the amounts which you owe.

Debts due in a foreign currency shall, in the absence of any agreement to the contrary between debtor and creditor, be calculated on the basis of the pre-war rate of exchange (see note below). Conversion on this basis shall be without prejudice to any further arrangements which may be made or to any provisions as to the rate of exchange at which debts are to be cleared, which may be subsequently laid down, either in the Treaty of Peace or in other legislative or administrative enactments.

I request you to acknowledge the receipt of this communication, and to send back at the same time the enclosed form duly filled up.

NOTE.—

Mks.	20.40	to the	pound
"	0.81	" "	franc and lira
"	2.16	" "	rouble
"	4.20	" "	dollar.



## APPENDIX VII

### CUSTOMS (WAR POWERS) ACT, 1916

[5 & 6 GEO. 5, CH. 102]

*An Act to amend the Customs (War Powers) Act, 1915*  
[27th January, 1916.]

BE it enacted as follows :—

Notice of seizure of goods seized to be published in gazette, if owner has no address in the United Kingdom.

1.—Where in pursuance of the powers conferred by section six of the Customs (War Powers) Act, 1915, as extended by section two of the Customs (War Powers) (No. 2) Act, 1915, any goods have been seized on the ground that the Commissioners of Customs and Excise have reason to suspect that the country of origin of the goods is an enemy country, or that the goods are being imported in contravention of the law relating to trading with the enemy, the notice of the seizure required by section two hundred and seven of the Customs Consolidation Act, 1876, to be given to the owner of the goods may, if the owner has no address in the United Kingdom, be given by the publication of a notice of the seizure in the London, Edinburgh, or Dublin gazette, as the case may require.

Provisions as to declarations as to ultimate destination of exported goods.

2.—(1) Subsection (1) of section five of the Customs (War Powers) Act, 1915, as amended by section one of the Customs (War Powers) (No. 2) Act, 1915, shall apply to cases where a declaration as to the person or country to whom any goods are ultimately destined is made in a shipping document lodged after shipment, in like manner as it applies to a declaration made in the course of making entry before shipment.

Onus of proof on defendant when proceedings taken.

(2) In the case of proceedings taken under the said subsection, an averment in the information that the defendant has failed to produce evidence to the satisfaction of the Commissioners that the goods in question have not reached a person who is an enemy, or treated as an enemy, or a country which is enemy, or treated as enemy, under any law for the time being in force relating to trading with the enemy shall be sufficient unless the defendant proves to the contrary.

Action in anticipation of restriction of exports.

3.—(1) Pending the issue of a proclamation or the making of an order in or of council under section eight of the Customs and Inland Revenue Act, 1879, or under the Exportation of Arms Act, 1900 (as amended in each case by any subsequent enactment), prohibiting or restricting the exportation of any article, the Commissioners of Customs and Excise shall, if the Board of Trade so direct, have power to take any action for preventing the exportation of that article as if the proclamation or order were in force at the time.

Action taken prior to proclamation or order to be deemed valid.

(2) Where, before the passing of this Act, any proclamation or order under either of the said Acts as so amended has been issued or made and in anticipation thereof the Commissioners of Customs and Excise have taken any action for preventing the exportation of any articles subsequently comprised in the proclamation or order, such action of the Commissioners shall be deemed to have been as valid in all respects as if the proclamation or order had been in force at the time when such action was taken.

4. The following subsection shall be added to section five of the Customs (War Powers) Act, 1915 :—

Penalty for attempting to ship goods in contravention of order under s. 139 of the Customs Consolidation Act, 1876.

“ If any person who is required by any order of the Commissioners of Customs and Excise under section one hundred and thirty-nine of the Customs Consolidation Act, 1876, to make entry and obtain clearance before shipment attempts to ship any goods in contravention of the order, he shall be liable in respect of each offence to a penalty of one hundred pounds, without prejudice to the operation of any other provisions of that section or any other provisions of that Act.”

5. Section six of the Customs (War Powers) Act, 1915, shall apply to all goods which at the commencement of this Act are under detention as being of suspected enemy origin, notwithstanding that they were originally detained or imported into the United Kingdom before the commencement of the first-mentioned Act.

Application of s. 6 of the Customs (War Powers) Act, 1915.

6. This Act may be cited as the Customs (War Powers) Act, 1916, and shall be construed as one with the Customs (War Powers) Act, 1915; and the Customs (War Powers) (No. 2) Act, 1915, and those Acts and this Act may be cited together as the Customs (War Powers) Acts, 1915 and 1916.

Short title and construction.

## APPENDIX VIII

### RULES UNDER THE TRADING WITH THE ENEMY ACTS

THE TRADING WITH THE ENEMY (VESTING AND APPLICATION OF PROPERTY) RULES, 1915, DATED JANUARY 11, 1915, MADE BY THE LORD CHANCELLOR UNDER THE TRADING WITH THE ENEMY AMENDMENT ACT, 1914 (5 GEO. 5, C. 12)

1. In these Rules—

The expression “the Act” means the Trading with the Enemy Amendment Act, 1914.

The expression “the custodian” has the same meaning as in the Act; and the expression “enemy” has a meaning corresponding with that given to “enemies” in the Act.

The expression “property” means any real or personal property, including any rights, whether legal or equitable, in or arising out of property real or personal.

References to sections and subsections are references to sections and subsections of the Act.

2.—(1) Applications under section four shall be by way of originating summons and shall be made to the Chancery Division of the High Court, and such applications and any subsequent applications shall in general and except so far as hereby otherwise provided be made and dealt with *mutatis mutandis* in accordance with the practice of that Division with regard to similar matters under the Rules of the Supreme Court and otherwise.

(2) Any respondent to the originating summons shall not be required to enter any appearance thereto, and accordingly Rule 4E of Order LIV of the Rules of the Supreme Court shall apply thereto.

(3) In all cases where the originating summons is not taken out by the custodian, he shall be named as a respondent thereto and it shall be served on him unless the Court shall in any case or class of cases otherwise order.

(4) In general and except so far as the Court may otherwise order the enemy to whom any property may be alleged to belong shall be named as a respondent to any originating summons under section four, and any person or corporation holding or managing any property alleged to belong to the enemy may also be named as a respondent to the originating summons.

(5) Originating summonses under section four shall be intituled in the matter of the Act and in the matter of the enemy or alleged enemy in question, and may be in the form or to the effect set out in the Schedule hereto.

(6) Any powers of selling, managing, or otherwise dealing with property which may be given to the custodian by any order made under section four of the Act may from time to time be revoked, suspended, varied, increased, added to, or otherwise dealt with as the Court or a Judge shall from time to time think fit on application made either under liberty reserved by the original Order or otherwise.

2. On any application under section four the applicant must file an affidavit or affidavits for the purpose of showing—

(a) that the enemy, whose property is proposed to be dealt with, is an enemy;

- (b) the nature and extent of the property in which the enemy is alleged to be interested ;
- (c) any special ground on which it is expedient that the property should be vested in the custodian ; and
- (d) in cases where the applicant is not the custodian or a Government Department, the facts showing that the applicant is a creditor of the enemy or otherwise entitled to apply under section four.

3.—(1) Any subsequent application with regard to any property comprised in any originating summons under section four or vested in the custodian may be made by ordinary summons entitled in the same matters as the originating summons.

(2) In cases where any party has already appeared by a solicitor any such ordinary summons may be served on that solicitor, or in case of a change of solicitors on the solicitor last appearing for that party, although no general appearance in the matter has been entered.

(3) Every subsequent application not made by the custodian shall be served on him unless the Court shall in any case or class of cases otherwise order.

4.—(1) Any application under section five (2) of the Act for payment out of property vested in the custodian of any debt or debts shall, if made to the Court or Judge by whose order the property was vested in the custodian, be made and dealt with as follows :—

(2) The application shall be deemed a subsequent application for the purpose of the last preceding Rule.

(3) The Court or Judge may on the hearing of the application direct all such accounts and inquiries as may be necessary or proper for the purpose of ascertaining the total debts and claims having priority to or ranking with the debt or debts proposed to be paid in whole or part, and (if thought fit) the property available for the payment of such debts and claims, and may for that purpose direct the custodian or any party to issue such advertisements and require such proof by statutory declaration or otherwise as may be expedient. And the custodian may, if he think fit, carry out the duties imposed on him by the proviso to section five (2) under the direction of the Court.

(4) In directing any payment or payments under section five (2) the Court or Judge shall act in accordance with the ordinary rules and practice of the Chancery Division of the High Court in the administration of estates, but so nevertheless that the Court shall not be bound to inquire into or take into account or to cause the custodian to inquire into or take into account debts and claims against the enemy to any greater extent than provided for by the proviso to section five (2).

5.—(1) Any application under section five (2) of the Act for payment out of property vested in the custodian of any debt or debts shall, if made to a Court in which judgment has been recovered against an enemy as such Court, be made and dealt with to and by that Court as follows :—

(2) It shall be made by summons in the proceeding in which judgment has been recovered.

(3) Such summons shall be addressed to and served on the custodian in addition to any other proper party and shall be returnable and heard as the Court in question shall direct.

(4) If on the hearing of a summons under this rule it shall happen either that the custodian makes no objection to making the payment or some part thereof, or if it shall otherwise appear clear to the Court that the payment or some part thereof ought to be made and can be made without prejudice to other persons owning debts or claims against the enemy in question, then and in either of the said cases the Court may make an order for payment accordingly, but so nevertheless as not to prejudice or affect the duty of the custodian under the proviso to Section 5 (2).

(5) In any other case than those provided for by the last preceding sub-rule and also in any case thereby provided for where a partial payment only has been ordered the Court in which judgment has been recovered shall not as such Court order any payment or any further payment as the case may be, but



may and in general shall transfer the application to be dealt with by the Court or judge by whose order the property was vested in the custodian.

6. Any application under this Act whether original subsequent or other may be proceeded with heard and dealt with by the Court or a judge if thought fit in the absence of an enemy or any other party who may be or appear to be abroad or whose whereabouts may not be known or whose presence may otherwise be difficult to secure, and without service of any summons or notice of summons on any such party or any intimation to such party other than such if any as the Court shall think fit. And this sub-rule shall be in addition to and by way of extension and enlargement of the ordinary powers and practice of the Court as to proceedings *ex parte* and as to substituted service.

7. The Court may at any stage of the proceedings on any application under section four or section five order that the case shall thenceforward be heard in private.

8. Any order made under section four or section five of these Rules may, should subsequent circumstances render it just so to do, be suspended discharged or otherwise varied or altered by the Court which made such order.

9. The following fees shall be payable under these Rules, that is to say—

On any summons whether original or subsequent 2s. 6d.

Provided that the Court may remit or excuse either in whole or part any court fees paid or payable under this Rule.

10. The proceedings on any application under the Act shall so far as not otherwise provided for by these Rules be conducted in accordance with the ordinary practice dealing with similar matters of the Court to which application is made. And the costs of all, and incidental to all, such proceedings shall be in the discretion of the Court.

11. In the case of any property within the jurisdiction of a palatinate Court any original application which would under the foregoing Rules be made to the Chancery Division may if the applicant think fit be made to the palatinate Court, and if so made any subsequent proceedings shall also take place in that Court and the foregoing rules shall *mutatis mutandis* apply to any such original and subsequent proceedings.

11A. These Rules may be cited as The Trading with the Enemy (Vesting and Application of Property) Rules, 1915, and shall come into operation forthwith.

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### Schedule

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#### FORM OF ORIGINATING SUMMONS UNDER SECTION FOUR

In the High Court of Justice,  
Chancery Division.

Mr. Justice

In the matter of the Trading with the Enemy Amendment Act, 1914,  
And in the matter of *A.B.* an Enemy within the Act.

Let *A.B.* of a person alleged to be an enemy within the above Act and the Public Trustee of the custodian for England and Wales under the above Act attend at the chambers of Mr. Justice at the time specified in the margin hereof [or on the day of 19 at o'clock in the noon] on the hearing of an application of *C.D.* of who claims to be a creditor of the said *A.B.* [or to be entitled to recover damages against the said *A.B.* or to be interested in the property hereinafter referred to belonging to or held or managed for or on behalf of the said *A.B.*] that the under-mentioned real or personal property or rights in or arising out of real or personal property may vest in the said custodian and that there may be conferred on him such powers of selling managing and otherwise dealing with the property as may seem proper.

The following constitutes the real or personal property or rights to which this summons refers, namely [*here give short description*].

NOTE.—It will not be necessary for you to enter an appearance in the

Central Office, but if you do not attend either in person or by your solicitor at the time and place above mentioned [or named in the endorsement hereon], such order will be made and proceedings taken as the Judge may think just and expedient.

Dated the 11th of January, 1915.

*Haldane, C.*

**THE TRADING WITH THE ENEMY (SUSPECTED COUPONS) RULES, 1915, DATED JANUARY 11, 1915, MADE UNDER SECTION 7 OF THE TRADING WITH THE ENEMY AMENDMENT ACT, 1914 (5 GEO. 5, C. 12)**

**1. In these Rules—**

The expression "the Act" means the Trading with the Enemy Amendment Act, 1914.

The expression "enemy" has a meaning corresponding with that given by the Act to the expression "enemies."

The expression "suspecting presentee" means any company, municipal authority, or other body or person to whom during the continuance of the present war a coupon or other security transferable by delivery is presented for payment, and who has reason to suspect that it is so presented on behalf of the benefit of an enemy, or that since the commencement of the present war it has been held by or for the benefit of an enemy.

The expression "suspected coupons" means any coupon or coupons or other security or securities transferable by delivery, or batch of such coupons or securities that may during the currency of the present war be presented for payment to a suspecting presentee.

The expression "suspected enemy" means the enemy on whose behalf or for whose benefit the suspected coupons are suspected of being presented or, as the case may be, by whom or for the benefit of whom they are suspected of having been held since the commencement of the present war.

2. Where a suspecting presentee desires under section seven of the Act to make a payment into Court of money due in respect of suspected coupons, he shall make and file in the Chancery Division of the High Court an affidavit intituled in the matter of the suspected coupons (described so as to be distinguishable so far as may be) and in the matter of the Act, and setting forth or indicating either in the affidavit itself or in one or more exhibits thereto:—

- (a) Short particulars of the suspected coupons with names, numbers, dates, and amounts for the purpose of the identification thereof, so far as reasonably practicable.
- (b) The name, so far as known, of the party actually presenting the suspected coupons, and his place of residence to the best of the suspecting presentee's knowledge and belief.
- (c) The circumstances producing suspicion in the mind of the suspecting presentee, and the name of the suspected enemy and his place of residence to the best of the suspecting presentee's knowledge and belief.
- (d) The submission of the suspecting presentee to answer all such inquiries relating to the application of the money paid into Court as the Court or a Judge may make or direct.
- (e) The place where the suspecting presentee is to be served with any petition summons or order or notice of any proceeding relating to the money paid in.

3. On making any payment into Court as aforesaid, the suspecting presentee shall forthwith proceed to give, so far as may be, notice thereof by prepaid letter through the post to the party actually presenting the suspected coupons and to the suspected enemy or to some person thought likely to be in communication with the suspected enemy.

4.—(1) No petition or summons relating to the money paid in shall be answered or issued unless the petitioner or applicant has named therein

place where he may be served with any petition or notice of any proceeding or order relating to the money paid in or any income thereof.

(2) Service shall be made or such other notice or intimation given as the Court or a Judge shall direct on or to such persons (if any) as the Court or a Judge shall direct of any application in respect of the money paid in or any income thereof: Provided that (by way of extension of the powers and practice of the Court) the Court or a Judge may if thought fit proceed in the absence of any such service, notice, or intimation on or to any enemy (including the suspected enemy) or other person who may be or appear to be abroad, or whose whereabouts may not be known.

(3) Applications to deal with money paid into Court under the Act shall be intitled in the same manner as the affidavit on which the money was paid in.

5. Money paid in under section seven of the Act and these Rules may, on the request of the suspecting presentee when paying in or on any subsequent application, be placed on deposit or invested in any securities available for the investment of cash under the control of the Court.

6. The proceedings and practice with reference to moneys paid into Court under section seven of the Act and the dealings therewith shall, so far as not otherwise provided for by these Rules, be in accordance with the ordinary practice of the Chancery Division with reference to moneys paid into Court on affidavit under section forty-two of the Trustee Relief Act, 1893.

7. These Rules may be cited as "The Trading with the Enemy (Suspected Coupons) Rules, 1915," and shall come into force forthwith.

Dated the 11th of January, 1915.

*Haldane, C.*

**THE COUNTY COURTS TRADING WITH THE ENEMY (APPLICATION OF PROPERTY) RULES, 1915, DATED FEBRUARY 15, 1915, MADE BY THE LORD CHANCELLOR FOR COUNTY COURTS UNDER THE TRADING WITH THE ENEMY AMENDMENT ACT, 1914 (5 GEO. 5, C. 12)**

*Preliminary*

The following Rules under the Trading with the Enemy Amendment Act, 1914, shall apply to the County Courts and the City of London Court (which shall for the purposes of these Rules be deemed to be a County Court) in substitution for Rules 1 and 5 to 10 of the Trading with the Enemy (Vesting and Application of Property) Rules, 1915, dated January 11, 1915.

These Rules may be cited as the County Courts Trading with the Enemy (Application of Property) Rules, 1915, and shall come into operation on the 16th day of February, 1915.

*Definitions*

**1. In these Rules—**

The expression "the Act" means the Trading with the Enemy Amendment Act, 1914.

The expression "the custodian" has the same meaning as in the Act; and the expression "enemy" has a meaning corresponding with that given to "enemies" in the Act.

References to sections and subsections are references to sections and subsections of the Act.

*Applications under Section five, Subsection 2*

**2.—(1)** Any Application under section five (2) of the Act for payment out of property vested in the custodian of any debt or debts shall, if made to a county court in which judgment has been recovered against an enemy, be made to and dealt with by the court as follows:—

(2) It shall be made by interlocutory application in the proceeding in which judgment has been recovered.



(3) Notice of the application shall be addressed to and served on the custodian and on every other person affected thereby four clear days at least before the day fixed for the hearing of the application, unless in any case the judge or registrar gives leave for shorter service. Service shall be effected in accordance with the County Court Rules as to service of notice of an interlocutory application.

(4) The application shall be made to the judge.

#### *Evidence in Support of Application*

3. It shall not be necessary in the first instance for a creditor to support the application by any affidavit or other evidence, except such evidence, if any, as may be required to show the nature and extent of the relief required by him. But the judge may in any case make such requirements or give such directions as to evidence on the part of any party as the case shall require.

#### *Power to Hear Cases in Private*

4. The judge may at any stage of the proceedings on any application order that the case shall thenceforward be heard in private.

#### *Orders on Applications. Transfer to High Court*

5.—(1) If on the hearing of any application under these Rules the custodian makes no objection to making the payment or some part thereof, or if it shall otherwise appear clear to the judge that the payment or some part thereof ought to be made and can be made without prejudice to other persons owing debts or claims against the enemy in question, then and in either of the said cases the judge may make an order authorizing payment accordingly, but so nevertheless as not to prejudice or affect the duty of the custodian under the proviso to section five (2).

(2) In any other case than those provided for by the last preceding sub-rule, and also in any case thereby provided for where a partial payment only has been ordered, the judge of the Court in which judgment has been recovered shall not order any payment or any further payment, as the case may be, but he shall, unless he is satisfied that the application should be dismissed, order the same to be transferred to the judge of the High Court by whose order the property was vested in the custodian, to be further dealt with by him.

(3) Where any application is transferred pursuant to this rule, the registrar shall transmit the record in accordance with Order XXXIII, Rule 7, of the County Court Rules.

#### *Dispensing with Notice. Substituted Service*

6. Any application under these Rules may be proceeded with and heard and dealt with by the judge if thought fit in the absence of an enemy or any other party who may be or appear to be abroad, or whose whereabouts may not be known, or whose presence may otherwise be difficult to secure, and without service of any notice on any such party or any intimation to such party, other than such, if any, as the judge shall think fit. And this sub-rule shall be in addition to and by way of extension and enlargement of the ordinary powers and practice of the court as to proceedings *ex parte* and as to substituted service.

#### *Preparation, Filing, etc., of Notices*

7. A notice of an application shall be prepared by the applicant and filed with the registrar, with as many copies as there are parties to be served; Provided that any notice, with the necessary copies, may, if the registrar so thinks fit, be prepared in his office; And the registrar shall examine, complete, seal, and where necessary sign the same, and shall return the copies to the applicant for service.



*Orders on Applications*

8. Where an order is made on an application under these Rules, the order shall be prepared and sealed by the registrar and delivered to the bailiff, who shall within twenty-four hours send the same, by post or otherwise, to the custodian and to the party against whom the order is made; but it shall not be necessary for the party in whose favour it is made to prove, previously to taking proceedings thereon, that it was posted or reached the opposite party.

*Revocation or Variation of Orders*

9. Any order made under these Rules may, should subsequent circumstances render it just so to do, be suspended, discharged or otherwise varied or altered on interlocutory application to the judge of the court in which the order was made.

*Fees*

10. The following fee shall be payable under Schedule B, Part I, of the Treasury Order regulating Fees in the County Courts, on proceedings under these Rules, viz. :—

On any notice of application, 2s. 6d.

The fee prescribed by the Rule shall include drawing, sealing, and issuing the order, and the fee prescribed by paragraph 12 of Schedule B, Part I, of the Fees Order shall not be taken; but this Rule shall not affect the fees payable on orders for substituted service.

The judge may remit or excuse in whole or in part any fees paid or payable under this Rule.

*Proceedings on Applications*

11. The proceedings on any application under these Rules shall, so far as not expressly provided for by these Rules, be conducted in accordance with the ordinary practice of the court in dealing with similar matters.

*Costs*

12.—(1) The costs of any application under these Rules shall be in the discretion of the judge.

(2) The judge may either fix the amount of such costs, or allow them on the scale applicable to an interlocutory application in the action in which the application is made; provided that Column B of the scale shall apply to all cases above twenty pounds to the exclusion of Column C.

(3) Where the amount of the subject-matter does not exceed ten pounds, there may be allowed for all work done by a solicitor in relation to the application—

If the amount exceeds 2*l.*, but does not exceed 5*l.*, 3*s.*

If the amount exceeds 5*l.*, but does not exceed 10*l.*, 5*s.*

(4) The judge may direct that any costs allowed shall be payable forthwith, or that they shall be included in the sum recovered under the judgment or order.

The 15th day of February, 1915.

Haldane, C.

We, the undersigned, two of the Commissioners of His Majesty's Treasury, do hereby, with the consent of the Lord Chancellor, order that the fees specified in Rule 10 of the foregoing Rules shall be taken on the proceedings therein mentioned, in lieu of all other fees for the proceedings therein set forth.

Walter R. Rea.

Cecil Beck.

I concur in the above order as to fees.

Haldane, C.

RULE, DATED MARCH 13, 1915, MADE BY THE LORD CHANCELLOR UNDER THE TRADING WITH THE ENEMY AMENDMENT ACT, 1914 (5 GEO. 5, C. 12), AS TO LODGMENT OF MONEY IN COURT

When, under the Trading with the Enemy (Suspected Coupons) Rules, 1915, a suspecting presentee desires to lodge in Court money due in respect of suspected coupons, he shall annex to the prescribed affidavit a Schedule (an office copy of which shall be left at the Pay Office) setting forth :—

- (a) his own name and address,
- (b) the ledger credit, intituled in the matter of the suspected coupons (describing them so as to be distinguishable so far as may be) to which the funds are to be placed in the Pay Office books,
- (c) the amount to be lodged,

and,

if investment of the money be desired in Securities available for the investment of Cash under the control of the Court, a statement accurately describing the Security or Securities selected for such investment.

In the absence of such a statement, the money will be placed on Deposit.

This Rule shall (notwithstanding anything contained in the Supreme Court Funds Rules to the contrary) authorize the Paymaster to invest such money in accordance with such statement.

*Haldane, C.*

We certify that this rule is made with the concurrence of the Commissioners of His Majesty's Treasury.

*Cecil Beck.*

*Walter R. Rea.*

Dated March 13th, 1915.

THE TRADING WITH THE ENEMY (VESTING AND APPLICATION OF PROPERTY) AMENDMENT RULES, 1916, DATED MARCH 29, 1916, MADE BY THE LORD CHANCELLOR UNDER THE TRADING WITH THE ENEMY AMENDMENT ACT, 1914 (5 GEO. 5, C. 12)

1. Rule 9 of the Trading with the Enemy (Vesting and Application of Property) Rules, 1915, is hereby annulled, and the following Rule shall stand in lieu thereof :—

9. The fees payable under these Rules shall be fees which would be payable according to the ordinary practice of the Court to which the application is made. Provided that the Court to which the application is made may remit or excuse, in whole or in part, any fees so paid or payable.

2. Nothing in these Rules shall affect the fees payable in the County Court, in pursuance of County Courts Trading with the Enemy (Application of Property) Rules, 1915.

3. These Rules may be cited as the "Trading with the Enemy (Vesting and Application of Property) Amendment Rules, 1916," and shall come into operation forthwith.

Dated the 29th day of March, 1916.

*Buckmaster, C.*

We concur.

*Geoffrey Howard,*

*Geo. H. Roberts,*

Two of the Lords Commissioners of  
His Majesty's Treasury.

THE TRADING WITH THE ENEMY (VESTING AND APPLICATION OF PROPERTY) AMENDMENT RULES, 1916 (NO. 2), DATED JUNE 6, 1916, MADE BY THE LORD CHANCELLOR UNDER THE TRADING WITH THE ENEMY AMENDMENT ACT, 1914 (5 GEO. 5, C. 12)

1. Rules 4 and 5 of the Trading with the Enemy (Vesting and Application of Property) Rules, 1915, are hereby annulled and the following Rules shall stand in lieu thereof :—

4. All applications under Section 5 (2) of the Act to authorize payment out of property vested in the custodian of any debt or debts shall be made to the Court or Judge by whose order the property was vested in the custodian. Any such application, if not made by the originating summons under Section 4, shall be deemed a subsequent application for the purpose of the last preceding Rule.

5. The Court or Judge may, on the hearing of any such application, direct all such accounts and inquiries as to debts or particular classes of debts as may seem to be requisite and, if thought fit, the property available for payment of any debts or claims, and may for that purpose direct the custodian or any party to issue such advertisements and require such proof by statutory declaration, or otherwise, as to the Court or Judge may seem expedient : but the Court or Judge shall not in any case be bound to inquire into or take into account or require the custodian to inquire into or take into account debts and claims against the enemy to any greater extent than provided for by the proviso to Section 5 (2), and the custodian may, if he think fit, carry out the duties imposed on him by such proviso, under the direction of the Court or Judge.

2. These Rules may be cited as the “ Trading with the Enemy (Vesting and Application of Property) Amendment Rules, 1916 (No. 2),” and shall come into operation forthwith.

Dated this 6th day of June, 1916.

*Buckmaster, C.*

THE ENEMY BANKING BUSINESS RULES, 1918, DATED DECEMBER 8, 1918, MADE BY THE BOARD OF TRADE UNDER SECTION 2 (4) OF THE TRADING WITH THE ENEMY (AMENDMENT) ACT, 1918 (8 & 9 GEO. 5, C. 31)

In pursuance of the powers conferred upon them by the provisions of Subsection (4) of Section 2 of the above-mentioned Act the Board of Trade, after consultation with the Treasury, hereby make the following Rules defining what business is for the purposes of the said Section to be deemed banking business.

1. “ Banking business ” means receiving money on current account or on deposit : accepting bills of exchange : making, discounting, buying, selling, collecting or dealing in bills of exchange, promissory notes and drafts whether negotiable or not : buying, selling or collecting coupons : buying or selling foreign exchange by cable-transfer or otherwise : issuing for subscription or purchase or under-writing the issue of loans, shares or securities : making or negotiating loans for commercial or industrial objects : or granting and issuing letters of credit and circular notes : except in so far as such operations form part of and are for the purposes of and incidental to the conduct of a business carried on for other purposes by the company, firm or individual by whom such operations are transacted.

2. These Rules shall be known, and may be cited as The Enemy Banking Business Rules, 1918.

3. These Rules shall come into operation on the date hereof.

Dated this 8th day of December, 1918.

By the Board of Trade,

*H. Llewellyn Smith,*

Permanent Secretary.

## APPENDIX IX

### RULES UNDER THE PATENTS, DESIGNS, AND TRADE MARKS (TEMPORARY) RULES ACTS

#### PATENTS, DESIGNS, AND TRADE MARKS (TEMPORARY) RULES, 1914. DATED 21st AUGUST, 1914

By virtue of the provisions of the Patents, Designs, and Trade Marks (Temporary Rules) Act, 1914, the Board of Trade hereby make the following Rules :—

1. The Board of Trade may, on the application of any person, and subject to such terms and conditions, if any, as they may think fit, order the avoidance or suspension, in whole or in part, of any patent or licence granted to a subject of any State at war with His Majesty, and the Board, before granting any such application, may require to be satisfied on the following heads :—

- (a) That the patentee or licensee is the subject of a State at war with His Majesty ;
- (b) That the person applying intends to manufacture, or cause to be manufactured, the patented article, or to carry on, or cause to be carried on, the patented process ;
- (c) That it is in the general interests of the country or of a section of the community, or of a trade, that such article should be manufactured or such process carried on as aforesaid.

The fee to be paid on any such application shall be that specified in the First Schedule to these Rules and the fee payable on depositing foreign documents or other papers for the purpose of a record not already provided for under the Patents and Designs Act, 1907, and the Trade Marks Act, 1905, shall be that specified in the First Schedule to these Rules.

An application under this section must be made on Patents Form No. 36 contained in the Second Schedule to these Rules, and shall be filed at the Patent Office.

The Board of Trade may at any time, in their absolute discretion, revoke any avoidance or suspension of any patent or licence ordered by them.

For the purpose of exercising in any case the powers of avoiding or suspending a patent or licence, the Board of Trade may appoint such person or persons as they shall think fit to hold an inquiry.

Any application to the Board for the avoidance or suspension of any patent or licence may be referred for hearing and inquiry to such person or persons who shall report thereon to the Board.

Provided always that the Board of Trade may at any time, if in their absolute discretion they deem it expedient in the public interest, order the avoidance or suspension in whole or in part of any such patent or licence upon such terms and conditions, if any, as they may think fit.

2. The Comptroller may, at any time during the continuance of these Rules, avoid or suspend any proceedings on any application made under the Patents and Designs Act, 1907, and the Trade Marks Act, 1905, by a subject of any State at war with His Majesty.



3. The Comptroller may also at any time during the continuance of these Rules extend the time prescribed by the Patents and Designs Act, 1907, or the Trade Marks Act, 1905, or any Rules made thereunder, for doing any act or filing any document, upon such terms and subject to such conditions as he may think fit in the following cases, namely :—

- (a) Where it is shown to his satisfaction that the applicant, patentee, or proprietor, as the case may be, was prevented from doing the said act, or filing the said document, by reason of active service or enforced absence from this country, or any other circumstances arising from the present state of war, which, in the opinion of the Comptroller, would justify such extension :
- (b) Where the doing of any act would, by reason of the circumstances arising from the present state of war, be prejudicial or injurious to the rights or interests of any applicant, patentee or proprietor as aforesaid.

4. The term “ person ” used in these Rules shall, in addition to the meaning given thereto by Section 19 of the Interpretation Act, 1889, include any Government Department.

5. All things required or authorized to be done by to or before the Board of Trade may be done by to or before the President or a Secretary or an Assistant Secretary of the Board, or any person authorized in that behalf by the President of the Board.

All documents purporting to be orders made by the Board of Trade and to be sealed with the seal of the Board or to be signed by a Secretary or an Assistant Secretary of the Board or by any person authorized in that behalf by the President of the Board shall be received in evidence and shall be deemed to be such orders without further proof unless the contrary is shown.

A certificate signed by the President of the Board of Trade that any orders made or act done is the order or act of the Board shall be conclusive evidence of the fact so certified

6. These Rules shall come into operation as and from the 7th day of August, 1914.

Dated the 21st day of August, 1914.

*Walter Runciman,*  
President of the Board  
of Trade.

#### *First Schedule*

	£	s.	d.
Fee payable on application under Rule 1 to Board of Trade to avoid or suspend patent rights or licence .. .. .	2	0	0
Fee payable on depositing Foreign Documents or other papers for the purpose of a record not already provided for under the Patents and Designs Act, 1907, and the Trade Marks Act, 1905 .. .. .	0	2	6

Dated the 21st day of August, 1914.

*Walter Runciman,*  
President of the Board of Trade.

Approved :—

*William Jones,*  
*W. Wedgwood Benn,*

Lords Commissioners of His Majesty's Treasury.

## Second Schedule

PATENT

£2

## Patents Form No. 36.

PATENTS, DESIGNS AND TRADE MARKS (TEMPORARY RULES)  
ACT, 1914

(a) Here insert (in full) name, address, and description or calling of person or persons applying.

(b) Here insert number and year of Patent, or particulars of Licence as the case may be.

(a) I (or We) .....  
 .....  
 .....  
 .....  
 .....  
 hereby request the Board of Trade to order the avoidance or suspension of the Letters Patent No. (b).....of....  
 ..... or the Licence granted to (b)  
 .....under Letters Patent No. (b).....  
 ..... of.....

Dated this.....day of.....

(Signed) .....

Dated the 21st day of August, 1914.

*Walter Runciman,*

President of the Board of Trade.

TRADE MARKS (TEMPORARY) RULES, 1914. DATED 21ST AUGUST,  
1914

By virtue of the provisions of the Patents, Designs, and Trade Marks (Temporary Rules) Act, 1914, the Board of Trade hereby make the following Rules :—

1. The Board of Trade may, on the application of any person, and subject to such terms and conditions, if any, as they may think fit, order the avoidance or suspension, in whole or in part, of the registration of any Trade Mark the proprietor whereof is a subject of any State at war with His Majesty, and the Board, before granting any such application, may require to be satisfied on the following heads :—

- (a) That the proprietor is the subject of a State at war with His Majesty ;
- (b) That the person applying intends to manufacture, or cause to be manufactured, the goods or any of them in respect of which the Trade Mark is registered ;
- (c) That it is in the general interests of the country or of a section of the community, or of a trade, that the registration of the Trade Mark should be so avoided or suspended.

The fee to be paid on any such application shall be that specified in the First Schedule to these Rules.

An application under this section must be made on Form T.M. No. 36 contained in the Second Schedule to these Rules, and shall be filed at the Patent Office.

The Board of Trade may at any time, in their absolute discretion, revoke any avoidance or suspension of any registration of a Trade Mark ordered by them.

For the purpose of exercising in any case the powers of avoiding or suspending the registration of a Trade Mark the Board of Trade may appoint such person or persons as they shall think fit to hold an inquiry.

Any application to the Board for the avoidance or suspension of any registration of a Trade Mark may be referred for hearing and inquiry to such person or persons who shall report thereon to the Board.

Provided always that the Board of Trade may at any time, if in their

absolute discretion they deem it expedient in the public interest, order the avoidance or suspension in whole or in part of any such registration of a Trade Mark upon such terms and conditions, if any, as they may think fit.

2. The term "person" used in these Rules shall, in addition to the meaning given thereto by Section 19 of the Interpretation Act, 1889, include any Government Department.

3. All things required or authorized to be done by to or before the Board of Trade may be done by to or before the President or a Secretary or an Assistant Secretary of the Board, or any person authorized in that behalf by the President of the Board.

All documents purporting to be Orders made by the Board of Trade and to be sealed with the seal of the Board or to be signed by a Secretary or an Assistant Secretary of the Board or by any person authorized in that behalf by the President of the Board shall be received in evidence and shall be deemed to be such orders without further proof unless the contrary is shown.

A certificate signed by the President of the Board of Trade that any order made or act done is the order or act of the Board shall be conclusive evidence of the fact so certified.

4. These Rules shall be called the Trade Marks (Temporary) Rules, 1914, and shall come into operation as and from the 7th day of August, 1914.

Dated the 21st day of August, 1914.

*Walter Runciman,*  
President of the Board of Trade.

#### *First Schedule*

Fee payable on application under Rule 1 to Board of Trade to   £   s.   d.  
avoid or suspend the registration of a Trade Mark           ..   2   0   0

Dated the 21st day of August, 1914.

*Walter Runciman,*  
President of the Board of Trade.

Approved :—

*W. Wedgwood Benn,*  
*William Jones,*  
Lords Commissioners of His Majesty's Treasury.

#### *Second Schedule*

*Form T.M. No. 36.*

PATENTS, DESIGNS AND TRADE MARKS (TEMPORARY RULES)  
ACT, 1914

TRADE MARK
£3

(a) Here insert (in full) name, address, and description or calling of person or persons applying.

(b) Here insert number and class in which the Trade Mark is registered.

(a) I (or We) .....

.....  
.....  
.....

hereby request the Board of Trade to order the avoidance or suspension of the registration of Trade Mark No (b).....

.....registered in Class..... for.....

Dated this ..... day of .....

(Signed) .....

Dated the 21st day of August, 1914.

*Walter Runciman,*  
President of the Board of Trade.

THE DESIGNS (TEMPORARY) RULES, 1914. DATED  
SEPTEMBER 5, 1914

By virtue of the provisions of the Patents, Designs, and Trade Marks (Temporary Rules) Acts, 1914, the Board of Trade hereby make the following Rules :—

1. The Board of Trade may, on the application of any person, and subject to such terms and conditions, if any, as they may think fit, order the avoidance or suspension of the registration and all or any rights conferred by the registration of any Design the proprietor whereof is a subject of any State at war with His Majesty, and the Board, before granting any such application, may require to be satisfied on the following heads :—

- (a) That the proprietor is the subject of a State at war with His Majesty ;
- (b) That the person applying intends to manufacture, or cause to be manufactured, the goods or any of them in respect of which the Design is registered ;
- (c) That it is in the general interests of the country or of a section of the community, or of a trade, that the avoidance or suspension should be ordered.

The fee to be paid on any such application shall be that specified in the First Schedule to these Rules.

An application under this section must be made on Form Designs No. 36 contained in the Second Schedule to these Rules, and shall be filed at the Patent Office.

The Board of Trade may at any time, in their absolute discretion, revoke any avoidance or suspension ordered by them.

For the purpose of exercising in any case their powers of avoidance or suspension the Board of Trade may appoint such person or persons as they shall think fit to hold an inquiry.

Any application to the Board for any such avoidance or suspension may be referred for hearing and inquiry to such person or persons who shall report thereon to the Board.

Provided always that the Board of Trade may at any time, if in their absolute discretion they deem it expedient in the public interest, order the avoidance or suspension of any such registration and all or any rights conferred by the registration of a Design upon such terms and conditions, if any, as they may think fit.

2. The term " person " used in these Rules shall, in addition to the meaning given thereto by Section 19 of the Interpretation Act, 1889, include any Government Department.

3. All things required or authorized to be done by to or before the Board of Trade may be done by to or before the President or a Secretary or an Assistant Secretary of the Board, or any person authorized in that behalf by the President of the Board.

All documents purporting to be Orders made by the Board of Trade and to be sealed with the seal of the Board or to be signed by a Secretary or an Assistant Secretary of the Board or by any person authorized in that behalf by the President of the Board shall be received in evidence and shall be deemed to be such orders without further proof unless the contrary is shown.

A certificate signed by the President of the Board of Trade that any order made or act done is the order or act of the Board shall be conclusive evidence of the fact so certified.

4. These Rules shall be called the Designs (Temporary) Rules, 1914, and shall come into operation as and from the 5th day of September, 1914.

Dated the 5th day of September, 1914.

*Walter Runciman,*  
President of the Board of Trade.



*First Schedule*

Fee payable on application under Rule 1 to Board of Trade to £ s. d.  
avoid or suspend the registration of a Design .. .. 2 0 0  
Dated the 5th day of September, 1914.

*Walter Runciman,*  
President of the Board of Trade.

Approved :—

*Wedgwood Benn,*  
*William Jones,*  
Lords Commissioners of His Majesty's Treasury.



*Second Schedule*

*Form Designs No. 36.*  
PATENTS, DESIGNS AND TRADE MARKS (TEMPORARY RULES)  
ACTS, 1914

(a) Here insert (in full) name, address, and description or calling of person or persons applying.  
  
(b) Here insert number and class in which the Design is registered.

(a) I (or We) .....  
.....  
.....  
.....  
hereby request the Board of Trade to order the avoidance or suspension of the registration of Design No. (b).....  
registered in Class..... for .....  
Dated this .....day of .....  
(Signed) .....  
Dated the 5th day of September, 1914.  
  
*Walter Runciman,*  
President of the Board of Trade.

THE PATENTS AND DESIGNS (TEMPORARY) RULES, 1914. DATED SEPTEMBER 7, 1914

By virtue of the provisions of the Patents, Designs and Trade Marks (Temporary) Rules Acts, 1914, the Board of Trade do hereby make the following Rules :—

1. In any case in which the Board of Trade make an Order by virtue of the powers vested in them under the provisions of the Patents, Designs and Trade Marks (Temporary) Rules Acts, 1914, and under any Rules made under these Acts or either of them, avoiding or suspending in whole or in part a Patent, or avoiding or suspending the registration and all or any rights conferred by the registration of any Design the Board may in their discretion grant in favour of persons other than the subject of any State at war with His Majesty, licences to make, use, exercise, or vend the patented invention or registered design so avoided or suspended upon such terms and conditions, and either for the whole term of the patent or registration of the design, or for such less period as the Board of Trade may think fit.

2. These Rules shall be read and construed as one with the Patents, Designs and Trade Marks (Temporary) Rules, 1914, dated 21st August, 1914, and the Designs Rules, 1914, dated 5th September, 1914.

Dated this 7th day of September, 1914.

*Walter Runciman,*  
President of the Board of Trade.

PATENTS, DESIGNS, AND TRADE MARKS (TEMPORARY) RULES.  
1915. DATED 17<sup>TH</sup> JUNE, 1915

Whereas by the Patents, Designs, and Trade Marks Temporary Rules (Amendment) Act, 1914, it was provided, amongst other things, that the Patents, Designs, and Trade Marks (Temporary Rules) Act, 1914, should have effect, and be deemed always to have had effect, as if for the words "any patent or licence granted to a subject of any State at war with His Majesty" there were substituted the words "any patent or licence the person entitled to the benefit of which is the subject of any State at war with His Majesty" :

And whereas by the Rules made under the last-mentioned Act provision was made for the avoidance and suspension in whole or in part of any patent or licence granted to a subject of any State at war with His Majesty :

Now, therefore, in pursuance of the powers conferred on them by the said Acts, the Board of Trade hereby make the following Rule :—

It is hereby declared that the said Rules shall have effect, and shall be deemed always to have had effect, as if a substitution similar to the above-cited substitution had been made therein, that is to say, as if in the said Rules for the words "any patent or licence granted to a subject of any State at war with His Majesty" there were substituted the words "any patent or licence the person entitled to the benefit of which is the subject of any State at war with His Majesty."

Dated the 17th day of June, 1915.

*Walter Runciman,*  
President of the Board of Trade.

PATENTS, DESIGNS, AND TRADE MARKS (TEMPORARY) RULES,  
1915 (SECOND SET). DATED OCTOBER 19, 1915

By virtue of the provisions of the Patents, Designs, and Trade Marks (Temporary Rules) Act, 1914, the Board of Trade hereby make the following Rules :—

1. The Comptroller may, at any time during the continuance of these Rules, extend the time prescribed by the Patents and Designs Act, 1907, or the Trade Marks Act, 1905, or any Rules made thereunder, for doing any act, upon such terms and subject to such conditions as he may think fit, where the doing of such act would by reason of the present state of war be prejudicial to the public interest.

2. These Rules shall be called the Patents, Designs, and Trade Marks (Temporary) Rules, 1915 (Second Set), and shall come into operation as and from the 14th day of October, 1915.

Dated the 19th day of October, 1915.

*Walter Runciman,*  
President of the Board of Trade.

ORDER OF THE BOARD OF TRADE IN THE MATTER OF THE  
TRADING WITH THE ENEMY AMENDMENT ACTS, 1916 AND 1918

and

In the matter of :

1. Every person, firm, body and company being an Enemy or Enemy Subject within the meaning of the above-mentioned Acts ;
2. Every Company with respect to which an Order has been made under section one of the Trading with the Enemy Amendment Act, 1916, or section three of the Trading with the Enemy Amendment Act, 1918 ;

3. Every Company being an Enemy-controlled Corporation within the meaning of the Trading with the Enemy Amendment Act, 1918 and

Entitled

- (a) To any interest share or right in of or to any Letters Patent which have been granted in and for the United Kingdom of Great Britain and Ireland and the Isle of Man ; or
- (b) To the benefit of an application for any such Letters Patent.

Whereas the expression "hostile person" when hereinafter used means and includes—

- (a) A person, firm, body or company being an Enemy or Enemy Subject within the meaning of the Trading with the Enemy Amendment Acts, 1916 and 1918 ;
- (b) A Company with respect to which an Order has been made under section one of the Trading with the Enemy Amendment Act, 1916, or section three of the Trading with the Enemy Amendment Act, 1918 ;
- (c) A Company being an Enemy-controlled Corporation within the meaning of the Trading with the Enemy Amendment Act, 1918.

And whereas the expression "British Patent" when hereinafter used means Letters Patent which have been granted in and for the United Kingdom of Great Britain and Ireland and the Isle of Man :

And whereas divers hostile persons are respectively (1) the owners of or otherwise interested in various British Patents ; (2) entitled to the benefit of applications for British Patents :

And whereas it appears to the Board of Trade to be expedient that such Vesting Order should be made as hereinafter appears :

Now therefore the Board of Trade in exercise of the powers conferred on them by the Trading with the Enemy Amendment Acts, 1916, and 1918, and of all other powers enabling them in this behalf do hereby Order that :

1. All and every the interest share and right of every hostile person in of or to any British Patent including all rights of action which since the 4th day of August 1914 have or would but for the present war have accrued to any hostile person in respect or by reason of any British Patent, and

2. The benefit of every application which has been made by or on behalf of for the benefit of any hostile person for any British Patent Do except in so far as the same shall already have been vested by any Order made under the Trading with the Enemy Amendment Acts or any of them Vest in the Public Trustee of Kingsway in the County of London the Custodian for England and Wales under the Trading with the Enemy Amendment Act, 1914.

Provided always that notwithstanding this order or anything herein contained any Order or Licence which the Board of Trade shall in pursuance or by virtue of the powers or provisions conferred by or contained in the Patents, Designs and Trade Marks (Temporary Rules) Acts, 1914, have made or granted in respect of any British Patent and all rights powers conditions and stipulations by or in such Order or Licence granted reserved or contained shall operate and take effect and shall be exercisable enforceable performed and observed as fully and freely and to the same extent as if this present Order had not been made.

Dated this 30th day of October, 1918.

By the Board of Trade.

(Signed) *H. Fountain*,  
Assistant Secretary to the Board of Trade.

## APPENDIX X

### POST-ARMISTICE LICENCES FOR THE RESUMPTION OF TRADE

#### GENERAL LICENCE OF THE BOARD OF TRADE, DATED JANUARY 3, 1919, AS TO REPAIR OF ENEMY MERCHANT SHIPS UNDER THE CONTROL OF THE ALLIED MARITIME TRANSPORT COUNCIL

WHEREAS by Royal Proclamation relating to Trading with the Enemy, dated the 9th day of September, 1914, it was, amongst other things, declared as follows :—

“ The expression ‘ enemy country ’ in this Proclamation means the territories of the German Empire and of the Dual Monarchy of Austria-Hungary together with all the Colonies and Dependencies thereof.”

And whereas it was also declared by the said Proclamation that from and after the date of the said Proclamation the persons therein referred to were prohibited from doing certain acts therein more specifically mentioned :

And whereas it was further declared by the said Proclamation as follows :—

“ Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our Licence, or by the licence given on Our behalf by a Secretary of State, or the Board of Trade, whether such licences be especially granted to individuals or be announced as applying to classes of persons.”

And whereas by Proclamation dated the 5th day of November, 1914, it was declared that the provisions of the Proclamations and Orders in Council then in force issued with reference to the state of war with the Emperor of Germany and the Emperor of Austria, King of Hungary, should be extended to the war with Turkey subject to the exception in such Proclamation mentioned, and it was declared that the words “ enemy country ” in any of the Proclamations or Orders in Council referred to in Article 1 of the said Proclamation should include the Dominions of His Imperial Majesty the Sultan of Turkey other than Egypt, Cyprus and any territory in the occupation of Us or Our Allies :

And whereas by Proclamation, dated the 16th day of October, 1915, it was declared that the Proclamations and Orders in Council then in force, issued with reference to the state of war with the German Emperor, or with reference to the state of war with the German Emperor and the Emperor of Austria, King of Hungary, or with reference to the state of war with the German Emperor and the Emperor of Austria, King of Hungary, and the Sultan of Turkey, should be extended to the war with Bulgaria, subject to the exception in such Proclamation mentioned, and it was declared that the words “ enemy country ” in any of the Proclamations or Orders in Council referred to in Article 1 of such Proclamation include the Dominions of the King of the Bulgarians and the words “ persons of enemy nationality ” in any of the said Proclamations and Orders in Council should include subjects of the King of the Bulgarians :

And whereas certain enemy merchant ships are or may be under the control of the Allied Maritime Transport Council :

Now, therefore, the Board of Trade, acting on behalf of His Majesty, and in pursuance of the powers reserved in the said Proclamations and all other



powers thereunto them enabling, do hereby give and grant licence to all persons residing, carrying on business or being in the United Kingdom to negotiate regarding the repair and fitting out of, and to repair and fit out, any enemy merchant ship that is for the time being under the control of the Allied Maritime Transport Council.

Dated this 3rd day of January, 1919.

*H. Llewellyn Smith,*  
Secretary to the Board of Trade.

# GENERAL LICENCE OF THE BOARD OF TRADE, DATED JANUARY 6, 1919, AS TO TRADING WITH PALESTINE AND SYRIA

Whereas by Proclamation dated the 5th day of November, 1914, it was declared that the Proclamations and Orders in Council then in force issued with reference to the state of war with the Emperor of Germany and the Emperor of Austria, King of Hungary, should be extended to the war with Turkey subject to the reservations in such Proclamations :

And whereas the Proclamations so extended to the war with Turkey included the Trading with the Enemy Proclamation No. 2, dated the 9th day of September, 1914, and the Proclamation relating to Trading with the Enemy dated the 8th day of October, 1914 :

And whereas by Proclamations dated the 7th day of January, 1915, and the 14th day of September, 1915, the provisions of the aforesaid Proclamations were extended as therein more specifically set forth :

And whereas it was declared by the said Trading with the Enemy Proclamation No. 2 as follows :—

“ Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our Licence, or by the licence given on Our behalf by a Secretary of State, or the Board of Trade, whether such licences be specially granted to individuals or be announced as applying to classes of persons.”

And whereas it is desirable to grant the licence hereinafter appearing :

Now, therefore, the Board of Trade, acting on behalf of His Majesty, and in pursuance of the powers reserved in the said Proclamations and all other powers thereunto them enabling, do hereby give and grant licence to all persons and bodies of persons resident, carrying on business or being in the United Kingdom to trade and have commercial and financial transactions with persons or bodies of persons resident or carrying on business in the following territories, namely, Palestine and Syria as far north as a line from Alexandretta to Aleppo inclusive and as far east as the Hejaz railway inclusive :

Provided always that any licence which may be necessary in respect of any transaction under any prohibition of export or prohibition of import for the time being in force in the United Kingdom or in respect of any remittance of money out of the United Kingdom covered by Regulation 41D of the Defence of the Realm Regulations is first obtained :

Provided also that this licence shall not permit any person or body of persons to pay to any person or body of persons resident or carrying on business in the said territories any sum of money which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them is required to be paid to the Custodian appointed under the Trading with the Enemy Amendment Act, 1914, but such sums of money must be paid to the said Custodian :

Provided further that this licence shall not permit any person or body of persons to pay or deliver to any person or body of persons resident or carrying on business in the said territories any sum of money or property of which notice is required to be given to the said Custodian under the said Acts or either of them.

Dated this sixth day of January, 1919.

*H. Llewellyn Smith,*  
Secretary to the Board of Trade.

GENERAL LICENCE OF THE BOARD OF TRADE, DATED  
FEBRUARY 6, 1919, AS TO TRADING WITH THE OCCUPIED  
TERRITORIES OF THE LEFT BANK OF THE RHINE

Whereas by Royal Proclamation relating to Trading with the Enemy, dated the 9th day of September, 1914, it was, amongst other things, declared as follows :—

“ The expression ‘ enemy country ’ in this Proclamation means the territories of the German Empire and of the Dual Monarchy of Austria-Hungary together with all the Colonies and Dependencies thereof ” :

And whereas it was also declared by the said Proclamation that from and after the date of the said Proclamation the persons therein referred to were prohibited from having certain transactions with any person or body of persons of whatever nationality resident or carrying on business in an enemy country :

And whereas it was further declared by the said Proclamation as follows :—

“ Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our Licence, or by the Licence given on Our behalf by a Secretary of State, or the Board of Trade, whether such licences be especially granted to individuals or be announced as applying to classes of persons ” :

And whereas by Proclamations dated the 8th day of October, 1914, the 7th day of January, 1915, and the 14th day of September, 1915, the said Proclamation dated the 9th day of September, 1914, was amended as in those Proclamations set forth :

And whereas it is desirable to grant the licence hereinafter appearing :

Now, therefore, the Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the said Proclamations and all other powers thereunto them enabling, do hereby give and grant licence to all persons residing, carrying on business or being in the United Kingdom to negotiate for the supply of any goods, wares or merchandise to the territories on the left bank of the Rhine in the occupation of the Armies of the Associated Governments, to supply any goods, wares or merchandise to such territories, to carry or arrange for the carriage of and to insure any goods, wares or merchandise destined for the said territories, and to take such action as may be necessary or convenient to secure payment for any goods, wares or merchandise so supplied or for any charges or expenses connected with such supply, carriage or insurance :

Provided always that any licence which may be necessary in respect of any such supply under any prohibition of export for the time being in force in the United Kingdom is first obtained :

Provided also that nothing in this Licence shall be deemed to authorize the payment of money which at the date hereof is or but for the war would have been due to any person or body of persons resident or carrying on business in such territories or the withdrawal or disposal of funds or property held or managed in this country for the account of or on behalf of any such person.

Dated this 6th day of February, 1919.

*W. F. Marwood,*  
A Secretary to the Board of Trade.

GENERAL LICENCE OF THE BOARD OF TRADE, DATED  
FEBRUARY 8, 1919, AS TO TRADING WITH CZECHO-SLOVAKIA

Whereas by Royal Proclamation relating to Trading with the Enemy, dated the 9th day of September, 1914, it was, amongst other things, declared as follows :—

“ The expression ‘ enemy country ’ in this Proclamation means the territories of the German Empire and of the Dual Monarchy of Austria-Hungary, together with all the Colonies and Dependencies thereof ” :

And whereas it was also declared by the said Proclamation that from and after the date of the said Proclamation the persons therein referred to were prohibited from having certain transactions with any person or body of persons of whatever nationality resident or carrying on business in an enemy country :

And whereas it was further declared by the said Proclamation as follows :—

“ Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our Licence, or by the licence given on Our behalf by a Secretary of State, or the Board of Trade, whether such licences be especially granted to individuals or be announced as applying to classes of persons ” :

And whereas by Proclamations dated the 8th day of October, 1914, the 7th day of January, 1915, and the 14th day of September, 1915, the said Proclamation dated the 9th day of September, 1914, was amended as in those Proclamations set forth :

And whereas it is desirable to grant the licence hereinafter appearing :

Now, therefore, the Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the said Proclamations and all other powers thereunto them enabling, do hereby give and grant licence to all persons and bodies of persons resident, carrying on business or being in the United Kingdom to trade and have commercial and financial transactions with persons or bodies of persons resident or carrying on business in Czecho-Slovakia.

Provided always that any licence which may be necessary in respect of any transaction under any prohibition of export or prohibition of import for the time being in force in the United Kingdom, or in respect of any remittance of money out of the United Kingdom covered by Regulation 41b of the Defence of the Realm Regulations, is first obtained :

Provided also that this licence shall not permit any person or body of persons to pay to any person or body of persons resident or carrying on business in Czecho-Slovakia any sum of money which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, is required to be paid to the Custodian appointed under the Trading with the Enemy Amendment Act, 1914, but such sums of money must be paid to the said Custodian :

Provided further that this licence shall not permit any person or body of persons to pay or deliver to any person or body of persons resident or carrying on business in Czecho-Slovakia any sum of money or property of which prior to the date hereof notice has been or ought to have been given to the said Custodian under the said Acts or either of them.

Dated this 8th day of February, 1919.

*W. F. Marwood,*  
A Secretary to the Board of Trade.

## PROCLAMATION DATED FEBRUARY 10, 1919, LICENSING TRADE WITH ALSACE-LORRAINE

BY THE KING

### *A Proclamation licensing Trade with Alsace-Lorraine*

*George R.I.*

Whereas by our Proclamation, dated the 9th day of September, 1914, called the Trading with the Enemy Proclamation, No. 2, certain prohibitions therein specifically set forth as regards trading, or having commercial or financial transactions, with persons resident or carrying on business in the German Empire or Austria-Hungary were imposed upon persons resident, carrying on business, or being in Our Dominions :

And whereas by our Proclamations, dated the 8th day of October, 1914, the 7th day of January, 1915, and the 14th day of September, 1915, Our first-mentioned Proclamation has been amended as in such Our Proclamations appears :



And whereas by the 8th paragraph of Our first-mentioned Proclamation it was provided that nothing in that Proclamation should be taken to prohibit anything which should be expressly permitted by Our Licence :

And whereas by the terms of the Armistice agreed upon between the Associated Governments and the German Empire, the territories of Alsace-Lorraine, part of the German Empire, are now in the occupation of the Armies of the Associated Governments, and it is expedient to allow trade and commercial and financial transactions with persons resident or carrying on business in the territories of Alsace-Lorraine :

Now, therefore, We, by and with the advice of Our Privy Council, give and grant full licence and authority unto, and do hereby permit, all persons resident, carrying on business, or being in Our Dominions, to trade and have commercial and financial transactions with any person resident or carrying on business in the territories of Alsace-Lorraine (other than and except any persons with whom the President of the French Republic shall order persons resident in France not to trade or have commercial or financial transactions) in as full and ample a manner as if the said territories did not form part of the German Empire, but formed part of the territories of the Republic of France :

Provided always that any Licence which may be necessary in respect of any transaction under any prohibition of export or prohibition of import for the time being in force in the United Kingdom, or in respect of any remittance of money out of the United Kingdom prohibited by the Regulation numbered 41D of the Defence of the Realm Regulations, is first obtained :

Provided also that this Our Licence shall not permit any person to pay to or for the benefit of any person resident or carrying on business in the said territories any sum of money which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, is required to be paid to the Custodian appointed under the Trading with the Enemy Amendment Act, 1914, but such sums must be paid to the said Custodian :

Provided also that this Our Licence shall not permit any person to pay or deliver to or on behalf of any person resident or carrying on business in the said territories any sum of money or property of which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, notice has been or ought to have been given, prior to the date of this Our Proclamation, to the said Custodian.

Given at Our Court at Buckingham Palace, this Tenth day of February, in the year of our Lord one thousand nine hundred and nineteen, and in the Ninth year of Our Reign.

God save the King

# PROCLAMATION DATED FEBRUARY 10, 1919, LICENSING TRADE WITH THE TERRITORIES OF AUSTRIA-HUNGARY IN THE OCCUPATION OF THE ARMIES OF THE ASSOCIATED GOVERNMENTS

BY THE KING

*A Proclamation licensing Trade with the Territories of Austria-Hungary in the Occupation of the Armies of the Associated Governments*

*George R.I.*

Whereas by our Proclamation, dated the 9th day of September, 1914, called the Trading with the Enemy Proclamation, No. 2, certain prohibitions, therein specifically set forth as regards trading or having commercial or financial transactions with persons resident or carrying on business in the German Empire or Austria-Hungary were imposed upon persons resident, carrying on business, or being in Our Dominions :

And whereas by our Proclamations, dated the 8th day of October, 1914, the 7th day of January, 1915, and the 14th day of September, 1915, Our first-mentioned Proclamation has been amended as in such Our Proclamations appears :



And whereas by the 8th paragraph of Our first-mentioned Proclamation it was provided that nothing in that Proclamation should be taken to prohibit anything which should be expressly permitted by Our Licence :

And whereas by the terms of the Armistice agreed upon between the Kingdom of Italy and Austria-Hungary, certain territories of Austria-Hungary have been evacuated by the Austro-Hungarian Armies and are now in the occupation of the Armies of the Associated Governments, and it is expedient to allow trade and commercial and financial transactions with persons resident or carrying on business in the territories so occupied by the Armies of the Associated Governments :

Now, therefore, We, by and with the advice of Our Privy Council, give and grant full licence and authority unto, and do hereby permit, all persons resident, carrying on business, or being in Our Dominions, to trade and have commercial and financial transactions with any person resident, or carrying on business, in the territories occupied as aforesaid by the Armies of the Associated Governments, in as full and ample a manner as if the said territories did not form part of Austria-Hungary but formed part of the territories belonging to one of the Governments with which Our Government is associated :

Provided always that any Licence which may be necessary in respect of any transaction under any prohibition of export or prohibition of import for the time being in force in the United Kingdom, or in respect of any remittance of money out of the United Kingdom prohibited by the Regulation numbered 41D of the Defence of the Realm Regulations, is first obtained :

Provided also that this Our Licence shall not permit any person to pay to or for the benefit of any person resident, or carrying on business, in the said territories, any sum of money which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, is required to be paid to the Custodian appointed under the Trading with the Enemy Amendment Act, 1914, but such sums must be paid to the said Custodian :

Provided also that this Our Licence shall not permit any person to pay or deliver to or on behalf of any person resident or carrying on business in the said territories any sum of money or property of which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, notice has been or ought to have been given, prior to the date of this Our Proclamation, to the said Custodian.

Given at Our Court at Buckingham Palace, this Tenth day of February, in the year of our Lord one thousand nine hundred and nineteen, and in the Ninth year of Our Reign.

God save the King

#### GENERAL LICENCE OF THE BOARD OF TRADE, DATED FEBRUARY 17, 1919, AS TO TRADING WITH TURKEY AND BULGARIA

Whereas by Proclamation dated the 5th day of November, 1914, it was declared that the Proclamations and Orders in Council then in force issued with reference to the state of war with the Emperor of Germany and the Emperor of Austria, King of Hungary, should be extended to the war with Turkey subject to the exception in such Proclamation mentioned :

And whereas the Proclamations so extended to the war with Turkey included the Trading with the Enemy Proclamation No. 2, dated the 9th day of September, 1914, and the Proclamation relating to Trading with the Enemy dated the 8th day of October, 1914 :

And whereas by Proclamations dated the 7th day of January, 1915, and the 14th day of September, 1915, the provisions of the aforesaid Proclamations were extended as therein more specifically set forth :

And whereas by Proclamation dated the 16th day of October, 1915, it was declared that the Proclamations and Orders in Council then in force issued with reference to the state of war with the Emperor of Germany, the Emperor of Austria, King of Hungary, and the Sultan of Turkey, should be

extended to the war with Bulgaria, subject to the exception in such Proclamation mentioned :

And whereas it was declared by the said Trading with the Enemy Proclamation No. 2 as follows :—

“ Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our licence, or by the licence given on Our behalf by a Secretary of State, or the Board of Trade, whether such licences be especially granted to individuals or be announced as applying to classes of persons.”

And whereas it is desirable to grant the licence hereinafter appearing :

Now, therefore, the Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the said Proclamations and all other powers thereunto them enabling, do hereby give and grant licence to all persons and bodies of persons resident, carrying on business, or being in the United Kingdom to trade and have commercial and financial transactions with persons or bodies of persons resident or carrying on business in Bulgaria, Turkey in Europe, Anatolia, Armenia, Kurdistan, Mesopotamia and such parts of Syria as are not already covered by the Board's General Licence of the 6th January, 1919 :

Provided always that any licence which may be necessary in respect of any transaction under any prohibition of export or prohibition of import for the time being in force in the United Kingdom, or in respect of any remittance of money out of the United Kingdom covered by Regulation 41b of the Defence of the Realm Regulations is first obtained :

Provided also that this licence shall not permit any person or body of persons to pay to or for the benefit of any person or body of persons resident or carrying on business in the said territories any sum of money which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, is required to be paid to the Custodian appointed under the Trading with the Enemy Amendment Act, 1914, but such sums of money must be paid to the said Custodian :

Provided further that this licence shall not permit any person or body of persons to pay or deliver to any person or body of persons resident or carrying on business in the said territories any sum of money or property of which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, notice has been or ought to have been given, prior to the date hereof, to the said Custodian.

Dated this 17th day of February, 1919.

*W. F. Marwood,*

A Secretary to the Board of Trade.

#### GENERAL LICENCE OF THE BOARD OF TRADE, DATED MARCH 3, 1919, AS TO TRADING WITH CROATIA AND SLAVONIA, BOSNIA, HERZEGOVINA, AND PARTS OF DALMATIA NOT COVERED BY PROCLAMATION OF FEBRUARY 10TH, 1919

Whereas by Royal Proclamation relating to Trading with the Enemy, dated the 9th day of September, 1914, it was, amongst other things, declared as follows :—

“ The expression ‘ enemy country ’ in this Proclamation means the territories of the German Empire and of the Dual Monarchy of Austria-Hungary, together with all the Colonies and Dependencies thereof ” :

And whereas it was also declared by the said Proclamation that from and after the date of the said Proclamation the persons therein referred to were prohibited from having certain transactions with any person or body of persons of whatever nationality resident or carrying on business in an enemy country :

And whereas it was further declared by the said Proclamation as follows :—

“ Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our Licence, or by the licence given on Our behalf by a Secretary of State or the Board of Trade,

whether such licences be especially granted to individuals or be announced as applying to classes of persons” :

And whereas by Proclamations dated the 8th day of October, 1914, the 7th day of January, 1915, and the 14th day of September, 1915, the said Proclamation dated the 9th day of September, 1914, was amended as in those Proclamations set forth :

And whereas it is desirable to grant the licence hereinafter appearing :

Now, therefore, the Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the said Proclamations and all other powers thereunto them enabling, do hereby give and grant licence to all persons and bodies of persons resident, carrying on business or being in the United Kingdom to trade and have commercial and financial transactions with persons or bodies of persons resident or carrying on business in Croatia and Slavonia, Bosnia, Herzegovina, and those parts of Dalmatia not covered by the Royal Proclamation dated the 10th day of February, 1919.

Provided always that any licence which may be necessary in respect of any transaction under any prohibition of export or prohibition of import for the time being in force in the United Kingdom, or in respect of any remittance of money out of the United Kingdom covered by Regulation 41D of the Defence of the Realm Regulations, is first obtained :

Provided also that this licence shall not permit any person or body of persons to pay to any person or body of persons resident or carrying on business in the said territories any sum of money which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, is required to be paid to the Custodian appointed under the Trading with the Enemy Amendment Act, 1914, but such sums of money must be paid to the said Custodian.

Provided further that this licence shall not permit any person or body of persons to pay or deliver to any person or body of persons resident or carrying on business in the said territories any sum of money or property of which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, notice has been or ought to have been given prior to the date hereof to the said Custodian.

Dated this 3rd day of March, 1919.

*W. F. Marwood,*  
A Secretary to the Board of Trade.

#### GENERAL LICENCE OF THE BOARD OF TRADE, DATED APRIL 1, 1919, AS TO TRADING WITH POLAND

Whereas by Royal Proclamation relating to Trading with the Enemy, dated the 9th day of September, 1914, it was, amongst other things, declared as follows :—

“The expression ‘enemy country’ in this Proclamation means the territories of the German Empire and of the Dual Monarchy of Austria-Hungary together with all the Colonies and Dependencies thereof” :

And whereas it was also declared by the said Proclamation that from and after the date of the said Proclamation the persons therein referred to were prohibited from having certain transactions with any person or body of persons of whatever nationality resident or carrying on business in an enemy country :

And whereas it was further declared by the said Proclamation as follows :—

“Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our Licence, or by the licence given on Our behalf by a Secretary of State or the Board of Trade, whether such licences be especially granted to individuals or be announced as applying to classes of persons” :

And whereas by Proclamation dated the 8th day of October, 1914, the 7th day of January, 1915, and the 14th day of September, 1915, the said Proclamation dated the 9th day of September, 1914, was amended as in those Proclamations set forth :



And whereas it is desirable to grant the licence hereinafter appearing :

Now, therefore, the Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the said Proclamations and all other powers thereunto them enabling, do hereby give and grant licence to all persons and bodies of persons resident, carrying on business or being in the United Kingdom to trade and have commercial and financial transactions with persons or bodies of persons resident or carrying on business in Poland.

Provided always that any licence which may be necessary in respect of any transaction under any prohibition of export or prohibition of import for the time being in force in the United Kingdom or in respect of any remittance of money out of the United Kingdom covered by Regulation 41b of the Defence of the Realm Regulations, is first obtained :

Provided also that this licence shall not permit any person or body of persons to pay to any persons or body of persons resident or carrying on business in Poland any sum of money which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, is required to be paid to the Custodian appointed under the Trading with the Enemy Amendment Act, 1914, but such sums of money must be paid to the said Custodian.

Provided further that this licence shall not permit any person or body of persons to pay or deliver to any person or body of persons resident or carrying on business in Poland any sum of money or property of which prior to the date hereof notice has been or ought to have been given to the said Custodian under the said Acts or either of them.

Dated this 1st day of April, 1919.

*W. F. Marwood,*  
A Secretary to the Board of Trade.

#### GENERAL LICENCE OF THE BOARD OF TRADE, DATED APRIL 3, 1919, AS TO EXPORTS TO GERMAN AUSTRIA

Whereas by Royal Proclamation relating to Trading with the Enemy, dated the 9th day of September, 1914, it was, amongst other things, declared as follows :—

“ The expression ‘ enemy country ’ in this Proclamation means the territories of the German Empire and of the Dual Monarchy of Austria-Hungary, together with all the Colonies and Dependencies thereof ” :

And whereas it was also declared by the said Proclamation that from and after the date of the said Proclamation the persons therein referred to were prohibited from having certain transactions with any person or body of persons of whatever nationality resident or carrying on business in an enemy country.

And whereas it was further declared by the said Proclamation as follows :—

“ Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our Licence or by the licences given on Our behalf by a Secretary of State, or the Board of Trade, whether such licence be especially granted to individuals or be announced as applying to classes of persons ” :

And whereas by Proclamations dated the 8th day of October, 1914, the 7th day of January, 1915, and the 14th day of September, 1915, the said Proclamation dated the 9th day of September, 1914, was amended as in those Proclamations set forth :

And whereas it is desirable to grant the licence hereinafter appearing :

Now, therefore, the Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the said Proclamations, and all other powers thereunto them enabling, do hereby give and grant licence to all persons residing, carrying on business or being in the United Kingdom to negotiate for the supply of any goods, wares or merchandise to German Austria, to supply any goods, wares or merchandise to German Austria, to carry or arrange for the carriage of and to insure any goods, wares or merchandise destined for German Austria, and to take such action as may be



necessary or convenient to secure payment for any goods, wares or merchandise so supplied or for any charges or expenses connected with such supply, carriage or insurance :

Provided always that any licence which may be necessary in respect of any such supply under any prohibition of export for the time being in force in the United Kingdom is first obtained :

Provided also that nothing in this Licence shall be deemed to authorize the payment of money which at the date hereof is or but for the war would have been due to any person or body of persons resident or carrying on business in German Austria or the withdrawal or disposal of funds or property held or managed in this country for the account of or on behalf of any such person.

3rd day of April, 1919.

*W. F. Marwood,*  
A Secretary to the Board of Trade.

GENERAL LICENCE OF THE BOARD OF TRADE, DATED MAY 6,  
1919, AS TO TRADING WITH THE OCCUPIED TERRITORIES  
ON THE RIGHT BANK OF THE RHINE

Whereas by Royal Proclamation relating to Trading with the Enemy, dated the 9th day of September, 1914, it was, amongst other things, declared as follows :—

“The expression ‘enemy country’ in this Proclamation means the territories of the German Empire and of the Dual Monarchy of Austria-Hungary together with all the Colonies and Dependencies thereof.”

And whereas it was also declared by the said Proclamation that from and after the date of the said Proclamation the persons therein referred to were prohibited from having certain transactions with any person or body of persons of whatever nationality resident or carrying on business in an enemy country :

And whereas it was further declared by the said Proclamation as follows :—

“Nothing in this Proclamation shall be taken to prohibit anything which shall be expressly permitted by Our Licence, or by the licence given on Our behalf by a Secretary of State, or the Board of Trade, whether such licences be especially granted to individuals or be announced as applying to classes of persons” :

And whereas by Proclamations dated the 8th day of October, 1914, the 7th day of January, 1915, and the 14th day of September, 1915, the said Proclamation, dated the 9th day of September, 1914, was amended as in those Proclamations set forth :

And whereas the Board of Trade, on behalf of His Majesty, by Licence dated the 6th day of February, 1919, authorized all persons residing, carrying on business, or being in the United Kingdom, subject to the provisos set out in the Licence, to supply any goods, wares or merchandise to the territories on the left bank of the Rhine in the occupation of the Armies of the Associated Governments, and to perform certain other acts in connexion with such supply as in the Licence set forth :

And whereas certain territories on the right bank of the Rhine are or may be in the occupation of the Armies of the Associated Governments :

Now, therefore, the Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the said Proclamations and all other powers thereunto them enabling, do hereby give and grant licence to all persons residing, carrying on business, or being in the United Kingdom to negotiate for the supply of any goods, wares or merchandise to the territories on the right bank of the Rhine that are at the time in the occupation of the Armies of the Associated Governments, to supply any goods, wares or merchandise to such territories, to carry or arrange for the carriage of and to insure any goods, wares or merchandise destined for the said territories, and to take such action as may be necessary or convenient to secure payment

for any goods, wares or merchandise so supplied, or for any charges or expenses connected with such supply, carriage or insurance :

Provided always that any licence which may be necessary in respect of any such supply under any prohibition of export for the time being in force in the United Kingdom is first obtained :

Provided also that nothing in this Licence shall be deemed to authorize the payment of money which at the date hereof is, or but for the war would have been, due to any person or body of persons resident or carrying on business in such territories, or the withdrawal or disposal of funds or property held or managed in this country for the account of or on behalf of any such person.

Dated this 6th day of May, 1919.

*W. F. Marwood,*  
A Secretary to the Board of Trade.

#### GENERAL LICENCE OF THE BOARD OF TRADE, DATED MAY 24, 1919, AS TO EXPORT OF FOODSTUFFS TO GERMANY

The Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the Trading with the Enemy Proclamations and all other powers thereunto them enabling, do hereby give and grant licence, so far as the Trading with the Enemy legislation is concerned, to all persons residing, carrying on business or being in the United Kingdom to negotiate for the supply to Germany of foodstuffs, namely, food, beverages, spices, edible oils and other articles intended solely for the manufacture of human food ; to supply any such foodstuffs to Germany ; to carry or arrange for the carriage of and to insure any such foodstuffs destined for Germany ; and to take such action as may be necessary or convenient to secure payment for any such foodstuffs so supplied or for any charges or expenses connected with such supply, carriage or insurance :

Provided always that any licence which may be necessary in respect of any such supply under any prohibition of export for the time being in force in the United Kingdom is first obtained :

Provided also that nothing in this Licence shall be deemed to authorize the payment of money which at the date hereof is or but for the war would have been due to any person or body of persons resident or carrying on business in Germany or the withdrawal or disposal of funds or property held or managed in this country for the account of or on behalf of any such person.

Dated this 24th day of May, 1919.

*W. F. Marwood,*  
A Secretary to the Board of Trade.

#### GENERAL LICENCE OF THE BOARD OF TRADE, DATED JUNE 1, 1919, AS TO OPENING CREDITS ON BEHALF OF ENEMIES

The Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the Trading with the Enemy Proclamations and all other powers thereunto them enabling, do hereby give and grant licence to all persons residing, carrying on business or being in the United Kingdom, to open credit on behalf of persons or bodies of persons in enemy countries for the purpose of financing transactions authorized under the Trading with the Enemy legislation in the United Kingdom or any other part of His Majesty's dominions, and transactions between persons residing or carrying on business outside His Majesty's dominions which have been authorized by the Allied and Associated Governments or any of them.

Dated this 1st day of June, 1919.

*H. Llewellyn Smith,*  
A Secretary to the Board of Trade.

GENERAL LICENCE OF THE BOARD OF TRADE, DATED JUNE 6, 1919, AS TO DEALINGS IN GERMAN-OWNED GOODS EX ENEMY VESSELS

The Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the Trading with the Enemy Proclamations and all other powers thereunto them enabling, do hereby give and grant licence, so far as the Trading with the Enemy legislation is concerned, to all persons residing, carrying on business or being in the United Kingdom to purchase, import and deal in goods that are owned by persons or bodies of persons resident or carrying on business in Germany and that are or were at the outbreak of war on board enemy vessels that have been handed over to the Allied and Associated Governments :

Provided always that any licence or permit which may be necessary in respect of any such transaction under any prohibition of import or use or other restriction or regulation (not being a prohibition, restriction or regulation imposed by or made under the Trading with the Enemy legislation) for the time being in force in the United Kingdom is first obtained :

Provided also that payment for any such goods is made to the Accountant-General, Ministry of Shipping, for account of the German Government Food Fund.

Dated this 5th day of June, 1919.

*W. F. Marwood,*  
A Secretary to the Board of Trade.

GENERAL LICENCE OF THE BOARD OF TRADE, DATED JULY 12, 1919, AS TO TRADING WITH GERMANY

The Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the Trading with the Enemy Proclamations and of all other powers thereunto them enabling, do hereby give and grant licence to all persons and bodies of persons resident, carrying on business or being in the United Kingdom to trade and have commercial and financial transactions with persons or bodies of persons resident or carrying on business in Germany :

Provided always that any licence which may be necessary in respect of any transaction under any prohibition of export or persons resident, carrying on business or being in the United Kingdom or in respect of any remittance of money out of the United Kingdom covered by Regulation 41D of the Defence of the Realm Regulations is first obtained :

Provided also that this licence shall not permit any person or body of persons to pay to or for the benefit of any person or body of persons resident or carrying on business in Germany any sum of money which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, is required to be paid to the Custodian appointed under the Trading with the Enemy Amendment Act, 1914, but such sums of money must be paid to the said Custodian :

Provided further that this licence shall not permit any person or body of persons to pay or deliver any sum of money or property which is, or but for the war would have been, due or deliverable to any person or body of persons resident or carrying on business in Germany in respect of a transaction entered into before the outbreak of war.

Dated this 12th day of July, 1919.

*W. F. Marwood,*  
A Secretary to the Board of Trade.

GENERAL LICENCE OF THE BOARD OF TRADE, DATED JULY 12, 1919, AS TO TRADING WITH GERMAN AUSTRIA

The Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the Trading with the Enemy Proclamations and all other powers thereunto them enabling, do hereby give and grant licence to all



persons and bodies of persons resident carrying on business or being in the United Kingdom to trade and have commercial and financial transactions with persons or bodies of persons resident or carrying on business in German Austria :

Provided always that any licence which may be necessary in respect of any transaction under any prohibition of export or prohibition of import for the time being in force in the United Kingdom or in respect of any remittance of money out of the United Kingdom covered by Regulation 41D of the Defence of the Realm Regulations is first obtained :

Provided also that this licence shall not permit any person or body of persons to pay to or for the benefit of any person or body of persons resident or carrying on business in German Austria any sum of money which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, is required to be paid to the Custodian appointed under the Trading with the Enemy Amendment Act, 1914, but such sums of money must be paid to the said Custodian :

Provided, further, that this licence shall not permit any person or body of persons to pay or deliver any sum of money or property which is or but for the war would have been due or deliverable to any person or body of persons resident or carrying on business in German Austria in respect of a transaction entered into before the outbreak of war.

Dated this 12th day of July, 1919.

*W. F. Marwood,*

A Secretary to the Board of Trade.

#### GENERAL LICENCE OF THE BOARD OF TRADE, DATED AUGUST 6, 1919, AS TO TRADING WITH HUNGARY

The Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the Trading with the Enemy Proclamations and all other powers thereunto them enabling, do hereby give and grant licence to all persons and bodies of persons resident carrying on business or being in the United Kingdom to trade and have commercial and financial transactions with persons or bodies of persons resident or carrying on business in Hungary :

Provided always that any licence which may be necessary in respect of any transaction under any prohibition of export or prohibition of import for the time being in force in the United Kingdom or in respect of any remittance of money out of the United Kingdom covered by Regulation 41D of the Defence of the Realm Regulations, is first obtained :

Provided also that this licence shall not permit any person or body of persons to pay to or for the benefit of any person or body of persons resident or carrying on business in Hungary, any sum of money which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, is required to be paid to the Custodian appointed under the Trading with the Enemy Act, 1914, but such sums of money must be paid to the said Custodian :

Provided, further, that this licence shall not permit any person or body of persons to pay or deliver any sum of money or property which is or but for the war would have been due or deliverable to any person or body of persons resident or carrying on business in Hungary, in respect of a transaction entered into before the outbreak of war.

Dated this 6th day of August, 1919.

*S. J. Chapman.*

#### GENERAL LICENCE OF THE BOARD OF TRADE, DATED AUGUST 19, 1919, AS TO TRADING WITH ARABIA

The Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the Trading with the Enemy Proclamations and all other powers thereunto them enabling, do hereby give and grant licence to all persons and bodies of persons resident, carrying on business, or being



in the United Kingdom to trade and have commercial and financial transactions with persons or bodies of persons resident or carrying on business in Arabia :

Provided always that any licence which may be necessary in respect of any transaction under any prohibition of export or prohibition of import for the time being in force in the United Kingdom is first obtained :

Provided also that this licence shall not permit any person or body of persons to pay to or for the benefit of any person or body of persons resident or carrying on business in Arabia any sum of money which by the terms of the Trading with the Enemy Amendment Acts, 1914 and 1915, or either of them, is required to be paid to the Custodian appointed under the Trading with the Enemy Amendment Act, 1914, but such sums of money must be paid to the said Custodian :

Provided further that this licence shall not permit any person or body of persons to pay or deliver any sum of money or property which is, or but for the war would have been, due or deliverable to any person or body of persons resident or carrying on business in Arabia in respect of a transaction entered into before the outbreak of war.

Dated this 19th day of August, 1919.

*S. J. Chapman.*

GENERAL LICENCE OF THE BOARD OF TRADE, DATED  
NOVEMBER 21, 1919, AS TO TRADING WITH ENEMY  
NATIONALS IN CHINA, SIAM, PERSIA, MOROCCO, LIBERIA,  
OR PORTUGUESE EAST AFRICA

The Board of Trade, on behalf of His Majesty, and in pursuance of the powers reserved in the Trading with the Enemy Proclamations and all other powers thereunto them enabling, do hereby give and grant licence to all persons and bodies of persons resident, carrying on business or being in the United Kingdom to trade and have commercial and financial transactions with persons or bodies of persons of enemy nationality resident or carrying on business in China, Siam, Persia, Morocco, Liberia, or Portuguese East Africa.

Provided always that any licence which may be necessary in respect of any transaction under any prohibition of export or prohibition of import for the time being in force in the United Kingdom is first obtained.

Dated this 21st day of November, 1919.

*H. A. Payne,*  
A Secretary to the Board of Trade.

## APPENDIX XI

### ORDERS AND RULES RELATING TO INDUSTRIAL PROPERTY AND COPYRIGHTS UNDER THE TREATIES OF PEACE AND TREATY OF PEACE ORDERS

#### PATENTS OF GERMAN, AUSTRIAN, AND BULGARIAN NATIONALS VESTED IN CUSTODIAN

NOTE.—The Order of the 9th November, 1920, relating to Austrian and Bulgarian patents, in so far as it varies from the Order of the 19th July, 1920, relating to German patents, is indicated by italics. Certain words which are not in the text of either Order, but which have been introduced for purposes of consolidation, are underlined.

#### ORDERS OF THE BOARD OF TRADE, DATED JULY 19, 1920, AND NOVEMBER 9, 1920, UNDER SECTION 5 (1) OF THE TRADING WITH THE ENEMY AMENDMENT ACT, 1914 (5 GEO. 5, CH. 12), AS TO “VESTED PATENTS,” “VESTED APPLICATIONS,” AND “RESTORED PATENTS” (CONSOLIDATED)

IN the matter of divers patents and applications for patents vested in  
the Custodian; and

IN the matter of the Trading with the Enemy Acts, 1914 to 1918; and  
IN the matter of the Treaty of Peace (with Germany) Act, 1919; and  
*IN the matter of the Treaties of Peace (Austria and Bulgaria) Act, 1920;*  
and

IN the matter of the Treaty of Peace (with Germany) Order, 1919.

*IN the matter of the Treaty of Peace (Austria) Order, 1920; and*

*IN the matter of the Treaty of Peace (Bulgaria) Order, 1920.*

Whereas the expression “British Patent” when hereinafter used means Letters Patent which have been granted in and for the United Kingdom of Great Britain and Ireland and the Isle of Man:

And whereas prior to the Order of the Board of Trade of the 30th October, 1918, hereinafter recited, divers British Patents which had been granted to or for the benefit of *persons being either German Nationals, Austrian Nationals, or Bulgarian Nationals* (as respectively defined by the Treaty of Peace (with Germany) Order, 1919, the Treaty of Peace (Austria) Order, 1920, and the Treaty of Peace (Bulgaria) Order, 1920), the shares and interests of *persons being German Nationals, Austrian Nationals, or Bulgarian Nationals*, in divers other British Patents and also the benefit so far as the same belonged to *persons being such nationals as aforesaid* of or in divers applications which had been made by or on behalf or for the benefit of *persons being such nationals as aforesaid*, either alone or jointly with other parties, for grants of such patents were by or by virtue of Orders which were made by the High Court of Justice or the Board of Trade under the Trading with the Enemy Acts, 1914–1918, or some or one of such Acts duly vested in the Public Trustee, the Custodian for England and Wales under the Trading with the Enemy Amendment Act, 1914 (hereinafter called “the Custodian”):

And whereas by an Order dated the 30th October, 1918, and so made by the Board of Trade as aforesaid, after reciting that the expression "hostile person" when thereafter used meant and included (a) a person, firm, body or company being an enemy or enemy subject within the meaning of the Trading with the Enemy Amendment Acts, 1916 and 1918, (b) a company with respect to which an Order had been made under Section 1 of the Trading with the Enemy Amendment Act, 1916, or Section 3 of the Trading with the Enemy Amendment Act, 1918, and (c) a company being an enemy controlled corporation within the meaning of the Trading with the Enemy Amendment Act, 1918, it was amongst other things ordered that (1) all and every the interest, share and right of every hostile person in, of or to any British patent, and (2) the benefit of every application which had been made by or on behalf of or for the benefit of any hostile person for any British patent should, except in so far as the same should already have been vested by any Order made under the Trading with the Enemy Amendment Acts, or any of them, vest in the Custodian :

And whereas as regards certain of the said applications patents have in pursuance of the Trading with the Enemy Amendment Act, 1916, been duly granted to the Custodian :

And whereas the expression "vested patent" as hereinafter used means such interest, share, rights or title in, of or to a British patent as may by reason or on account of the late war (*which expression as herein used means as regards Germany and German or former German Nationals the late war between the United Kingdom and Germany, as regards Austria and Austrian or former Austrian Nationals the late war between the United Kingdom and Austria, and as regards Bulgaria and Bulgarian or former Bulgarian Nationals the late war between the United Kingdom and Bulgaria*, have been so vested in or granted to the Custodian as aforesaid, and the expression "vested application" as hereinafter used means such benefit and rights of or in respect of any application for the grant of a British patent as may by reason or on account of the said late war have been so vested in the Custodian as aforesaid :

And whereas it is expedient that such Order or Orders and directions as are hereinafter contained shall be made and given in regard to vested patents and vested applications :

Now, therefore, the Board of Trade in exercise of the powers conferred upon them by Section 5 (1) of the Trading with the Enemy Amendment Act, 1914, and/or the Treaty of Peace (with Germany) Order, 1919, and/or the Treaty of Peace (*Austria*) Order, 1920, and/or the Treaty of Peace (*Bulgaria*) Order, 1920, and of all other powers (if any) then hereunto enabling do hereby order and direct as follows :—

1. (i) Subject to the provisions hereinafter contained the Custodian shall forthwith divest himself of the vested patents and of the vested applications in favour as the case may be of the respective persons who were at the commencement of the late war or would but for such war and the relative Vesting Orders now be entitled thereto.

Provided always that if by any Order made under the Trading with the Enemy Amendment Acts, or any of them which may affect any vested patent or vested application, any condition was imposed upon the Custodian which might operate so as to prohibit him from dealing with such patent or application, the prohibiting condition shall be and stand discharged upon the Board of Trade certifying to that effect, but so nevertheless that such divesting as aforesaid shall not take effect as regards such patent or application unless and until the Board of Trade shall so certify :

(ii) In the subsequent provisions of this Order the following expressions shall mean and be construed as follows, that is to say : "restored patent" shall mean and include any vested patent of which the Custodian shall have divested himself under the directions in the preceding sub-clause contained and also such interest, share, rights or title in, of or to any British patent as may be or may have been granted upon or in pursuance or by virtue of a restored application : "restored application" <sup>1</sup> shall mean and include any vested application of which the Custodian shall have divested



himself as aforesaid and also to the extent to which the same may be or may have been revived as next hereinafter mentioned any application for the grant of a British patent which may be or may have been revived under the provisions of the Treaty of Peace between the United Kingdom and Germany, or of the Treaty of Peace between the United Kingdom and Austria or of the Treaty of Peace between the United Kingdom and Bulgaria (which Treaties are hereinafter referred to as the "Treaties of Peace"): "patentee" shall mean and include the person for the time being entitled to the benefit of a restored patent: "licensee" shall in relation to a licence mean and include any person for the time being entitled to the benefit of the licence.

2. Subject to the provisions of this Order dealings in regard to a restored patent are permitted between British Nationals and German, Austrian, or as the case may be, Bulgarian Nationals (as such Nationals are respectively defined by the said Treaty of Peace Orders).

3. An assignment or assurance *inter vivos* of a restored patent or a restored application shall not be made nor shall any licence be granted under a restored patent except after notice to and with the consent of the Board of Trade, and any such purporting assignment or assurance "*inter vivos*" or any such purporting licence which may be made or granted except after such notice and with such consent shall be void and of no effect. And any devolution of a restored patent or of a restored application otherwise than by an assignment or assurance *inter vivos* shall not be operative unless and until assented to by the Board of Trade.

4. A restored patent shall remain and be subject to any licence under or in respect thereof which may have been granted by the Board of Trade under the Patents, Designs and Trade Marks (Temporary Rules) Acts, 1914, or by the Custodian under Section 5 (1) of the Trading with the Enemy Amendment Act, 1914, and any such licence shall with the additional rights, powers and privileges next hereinafter conferred upon the Licensee, be and remain as valid and effectual as if this Order had not been made:

Provided always that in addition to any other rights, privileges or powers to which he may be entitled the Licensee, exclusive or otherwise as the case may be, shall be deemed to have and shall have all the rights, privileges and powers of such a Licensee under the provisions of Section 1 of the Patents and Designs Act, 1919:

Provided further that all powers which by or under any such licence as aforesaid may have been given to or vested in the Board of Trade or the Custodian shall as regards any powers given to or vested in the Custodian be and be deemed to have been transferred to the Board of Trade and as to all such powers whether given to or vested in the Board of Trade or given to or vested in the Custodian shall be and remain exercisable by the Board of Trade.

5. The Board of Trade have and shall continue to have power upon the application of any person to grant to or in favour of the applicant a compulsory licence under any restored patent upon such terms as to Royalty or otherwise as may be thought fit (a) if in the opinion of the Board of Trade it is in the public interest that such licence shall be granted, or (b) if the Patentee shall refuse to grant to the applicant a licence upon reasonable terms. And for the purpose of and in connexion with the exercise of such power the Board of Trade shall have all the powers of the Comptroller of Patents, Trade Marks and Designs (hereinafter called the Comptroller) under the Patents and Designs Act, 1919, in a case in which abuse of the monopoly rights has been established.

6. The Board of Trade shall as regards any licence which has been or may

<sup>1</sup> By further Orders of the Board of Trade dated March 12, 1921, it is provided that the term "restored application" shall be deemed to include "all applications filed in the United Kingdom by German nationals for patents which, when granted, will bear date prior to the 10th January, 1920, or by Austrian nationals for patents, which, when granted, will bear date prior to the 16th July, 1920.



be granted under any restored patent, whether the licence is granted as mentioned in Clause 4 hereof or as mentioned in Clause 5 hereof, have power upon the application of the Licensee or of the Patentee to make such revisions or amendments in the licence as may be thought fit whether as regards the Royalty payable thereunder or otherwise, and any such revision or amendment may consist of or include a provision which will preclude the Patentee (a) from importing into the United Kingdom any goods the importation of which would if effected by a person other than the Patentee be an infringement of the patent, and/or (b) from working or using the patented invention in the United Kingdom.

7. Notwithstanding anything herein contained the Board of Trade shall as regards any restored patent or restored application have power either without or upon the application of any person interested to expropriate, take over or sell any such patents or the patent rights under any such application on such terms as to indemnity, purchase, consideration or otherwise as may be determined by a special Tribunal to be nominated by the Lord Chancellor for the time being but so that the President or Chairman of such Tribunal shall be a high judicial officer or a barrister of not less than ten years' standing, and in such case the Board of Trade shall be deemed to have all the powers of the patentee or proprietor and may make a good title to any transfer, licence or other assurance provided always that the power hereby conferred shall not be exercised unless in the opinion of the Board of Trade the exercise thereof is necessary for the National Defence or in the public interest or for securing in relation to *Germany, Austria or Bulgaria, as the case may be*, the due fulfilment of all the obligations undertaken by them respectively in the respective Treaties of Peace.

8. All Royalties and/or other moneys which but for this provision would by virtue of anything done under or in pursuance of any provision contained in this Order be payable to a German National, an *Austrian National* or a *Bulgarian National* shall be divided and paid as follows, namely:—

- (a) in the case of voluntary dealings—75 per cent. of such Royalties and/or other moneys shall be paid as regards a German National to the Controller of the Clearing Office, as regards an Austrian National to the Administrator under the Treaty of Peace (*Austria*) Order, 1920, and as regards a Bulgarian National to the Administrator under the Treaty of Peace (*Bulgaria*) Order, 1920, for the purposes of the Office of such Controller or Administrator, and the remaining 25 per cent. thereof shall be paid to the other party or parties who may be concerned:
- (b) in every other case the whole of such Royalties and/or other moneys shall be paid as regards a German National to the Controller of the Clearing Office, as regards an Austrian National to the Administrator under the Treaty of Peace (*Austria*) Order, 1920, and as regards a Bulgarian National to the Administrator under the Treaty of Peace (*Bulgaria*) Order, 1920, for the purposes of the Office of such Controller or Administrator.

Provided always that any Royalties under any such licence as is mentioned in Clause 4 hereof which have accrued prior to the date upon which the patent shall have become a restored patent or which may thereafter accrue shall be retained by or paid to the Custodian as the case may be.

9. The conditions imposed by and other provisions contained in Clauses 3 to 8 of this Order upon or in regard to restored patents and restored applications shall not, except as hereafter mentioned, apply as regards vested patents or vested applications of which the Custodian shall have divested himself under the directions contained in Clause 1 (1) hereof in favour of persons who, by or by virtue or in pursuance of the Treaties of Peace or one of them, have ceased to be *either German, Austrian or Bulgarian nationals*: Provided nevertheless that as regards such patents as last mentioned—

- (i) The patents shall remain and be subject to any licence under or in respect thereof which may have been granted by the Board of Trade under the Patents, Designs and Trade Marks (Temporary

Rules) Acts, 1914, or by the Custodian under Section 5 (1) of the Trading with the Enemy Amendment Act, 1914, and any such licence shall be and remain as valid and effectual as if this Order had not been made.

- (ii) The Board of Trade shall as regards any licence which has been granted as aforesaid under the patent have power upon the application of the licensee or of the patentee to make such revisions or amendments in the licence as may be thought fit whether as regards the royalty payable thereunder or otherwise.

10. Any application to be made under any provision herein contained shall be made to the Comptroller.

11. The Board of Trade may from time to time make such rules as may be necessary or expedient for the purpose of carrying out the provisions of this Order and by any such rules may regulate the procedure to be followed and may prescribe the payment of fees and fix the amount thereof and any such rules whilst in force shall be of the same effect as if the same were contained in this Order.

12. This Order shall not nor shall anything herein contained apply to any patent or application for the grant of a patent which has been effectually dealt with in or for the purpose of the liquidation of any business or company as regards which a Winding-up Order has been made under or in pursuance of the Trading with the Enemy Acts, 1914 to 1918, or any of them.

13. The Board of Trade may at any time revoke or vary this Order and any provisions herein contained as well as any rules made under Clause 11 hereof.

*R. S. Horne,*

President of the Board of Trade.

#### THE PATENTS (TREATY OF PEACE) RULES, 1920. DATED JULY 24, 1920

By virtue of the provisions of the Trading with the Enemy Acts, 1914 to 1918, the Treaty of Peace Act, 1919, the Treaty of Peace Order, 1919, and the Order of the Board of Trade, dated 19th July, 1920, the Board of Trade do hereby make the following Rules:—

##### PRELIMINARY

1. These Rules may be cited as the Patents (Treaty of Peace) Rules, 1920, and shall come into operation from and immediately after the 19th day of July, 1920.

##### INTERPRETATION

2. In the construction of these Rules any words herein used, the meanings of which are defined by the Order of the Board of Trade dated the 19th day of July, 1920, shall have the meanings thereby assigned to them respectively.

##### FEEs

3. The fees to be paid under these Rules shall be those specified in the first Schedule to these Rules.

##### FORMS

4. The forms herein referred to are the forms contained in the second Schedule to these Rules. Such forms shall be used in all cases to which they are applicable and may be modified as directed by the Comptroller to meet other cases.

##### VOLUNTARY DEALINGS IN OR UNDER RESTORED PATENTS, ETC.

5. Where any assignment or assurance of a restored patent or of the benefit of a restored application or any licence under a restored patent has been agreed between parties, application for the consent of the Board of Trade to any such assignment, assurance, or licence shall be made on Patents

Form No. 40 before the execution of the document effecting such assignment, assurance or licence. Such application shall be accompanied by a copy of the draft document proposed to be executed.

#### DEVOLUTION OF TITLE BY OPERATION OF LAW

6. Where any person claims to be entitled to the benefit of or any interest in a restored patent or restored application by virtue of operation of law, arising after the outbreak of war, he shall make application for the consent of the Board of Trade to his title as claimed being recognized upon Patents Form No. 41. Such application shall be accompanied by a copy of the instrument or other document under which the applicant claims title.

#### APPLICATION FOR LICENCE UNDER RESTORED PATENT OTHER THAN UNDER RULE 5

7. An application for the grant of a licence under a restored patent or a patent granted upon a restored application shall be made upon Patents Form No. 42. Such application shall be accompanied by an unstamped copy and a statement in duplicate setting out fully the reason for making the application, the facts upon which the applicant bases his case and the terms of the licence which he is prepared to accept. A copy of the application and of the statement will be transmitted by the Comptroller to the patentee at his address for service on the Register of Patents.

Upon such application being made and copy thereof transmitted to the patentee, the latter, if desirous of contesting the application, shall within one month of the receipt of such copy at his address for service, or such further time as the Comptroller may allow, leave at the Patent Office a counter-statement fully setting out the grounds upon which the application is contested and, on so leaving, shall deliver to the applicant a copy thereof.

Upon receipt of such counter-statement, and/or any further evidence the Comptroller may require, the Comptroller shall proceed to determine the application.

#### APPLICATION FOR REVISION OF LICENCE

8. An application for the revision of a licence whether granted by the Board of Trade, the Custodian, or under these Rules under a restored patent shall be made upon Patents Form No. 43. Such application shall be accompanied by an unstamped copy and a statement in duplicate setting out fully the facts upon which the applicant bases his case and the terms of such licence as he is prepared to accept or grant. A copy of the application and of the statement will be transmitted by the Comptroller to the patentee, at his address for service on the Register of Patents or the Licensee concerned, as the case may be.

Upon such application being made and copy thereof transmitted, the patentee or licensee, as the case may be, if desirous of contesting the application, shall within one month of the receipt of such copy at his address for service, or such further time as the Comptroller may allow, leave at the Patent Office a counter-statement fully setting out the grounds upon which the application is contested and, on so leaving, shall deliver to the applicant a copy thereof.

Upon receipt of such counter-statement and/or any further evidence the Comptroller may require, the Comptroller shall proceed to determine the application.

#### APPLICATION FOR THE EXPROPRIATION, TAKING OVER OR SELLING ANY RESTORED PATENT

9. An application for the expropriation, taking over or sale of any restored patent or a patent granted upon a restored application shall be made upon Patents Form No. 44. Such application shall be accompanied by an unstamped copy and a statement in duplicate setting out fully the reason for making the application and the facts upon which the applicant bases his case. A copy of the application and of the statement will be transmitted



by the Comptroller to the patentee at his address for service on the Register of Patents.

Upon such application being made and copy thereof transmitted to the patentee, the latter, if desirous of contesting the application, shall, within one month of the receipt of such copy at his address for service, or such further time as the Comptroller may allow, leave at the Patent Office a counter-statement fully setting out the grounds upon which the application is contested and on so leaving, shall deliver to the applicant a copy thereof.

Upon receipt of such counter-statement and/or any further evidence the Comptroller may require, the Comptroller shall proceed to determine whether the application should be granted and be referred to a special tribunal for the settlement of terms.

Where it is decided to grant the application and refer it to a special tribunal for the settlement of terms application to be heard by the special tribunal shall be made upon Patents Form No. 45.

### HEARINGS

10. Before deciding any issue raised under Rules 7, 8, and 9 of these Rules or before exercising any discretionary power given to the Comptroller under the Order of the Board of Trade, dated 19th July, 1920, or these Rules, adversely to any party the Comptroller shall give ten days' notice, or such longer notice as he may think fit to the party or parties as the case may be of the time when he is prepared to hear such party or parties or their representatives.

### EVIDENCE

11. In lieu of or in addition to any oral evidence that may be given at a hearing the Comptroller may require any party to file evidence by way of statutory declaration and allow any declarant to be cross-examined on his declaration.

### COSTS

12. The Comptroller may award costs in any proceedings under these Rules, and direct how and by what parties they are to be paid. Further, in any case in which he thinks fit, the Comptroller may require any person initiating proceedings to give security for costs, and in the event of such security not being forthcoming, may dismiss the application in question.

Dated this 24th day of July, 1920.

*R. S. Horne,*

President of the Board of Trade.

### FIRST SCHEDULE

#### FEES

Subject or Proceeding.	Amount.	Corresponding Form.
	£ s. d.	
On application under Rule 5 for consent of Board of Trade to assignment, assurance or licence of patent rights.	2 0 0	Patents Form No. 40.
On application under Rule 6 for consent of Board of Trade to devolution of title to patent rights by operation of law.	2 0 0	„ „ No. 41.
On application for licence under restored patent.	2 0 0	„ „ No. 42.
On application for revision of licence.	5 0 0	„ „ No. 43.
On application for expropriation, taking over, or selling any restored patent rights.	5 0 0	„ „ No. 44.
On application for hearing by tribunal in respect of the expropriation, taking over, or selling of restored patent rights.	5 0 0	„ „ No. 45.



## SECOND SCHEDULE

## FORMS

## PATENTS FORM No. 40

PATENT.

£2.

## THE PATENTS (TREATY OF PEACE) RULES, 1920

*Application under Rule 5 for consent of Board of Trade to Assignment, Assurance, or Licence of Patent Rights*

(a) Give in full, name, address and nationality of applicant(s).

I (or We) (a).....

hereby apply for the consent of the Board of Trade to an

(Assignment)

(Assurance) in respect of (application)  
(Licence) (Letters Patent) No. of

being executed.

A copy of the document in question, the terms of which have been agreed between  
.....  
of the one part and.....  
of the other, accompanies this application.

My (Our) address for service in the United Kingdom is.....

Signature of Applicant(s) (b).....

(b) To be signed by the applicant(s).

To the Comptroller,  
The Patent Office,  
25 Southampton Buildings,  
Chancery Lane,  
London, W.C.2.

## PATENTS FORM No. 41

PATENT.

£2.

## THE PATENTS (TREATY OF PEACE) RULES, 1920

*Application under Rule 6 for consent of Board of Trade to devolution of title to Patent Rights by operation of Law*

I (or We) (a).....

hereby apply for the consent of the Board of the Trade to the benefit of

(Application)

(Letters Patent) No. of devolving upon me.

I (We) claim to be entitled to (b).....

by virtue of an instrument dated.....

a copy of which accompanies this application.

My (Our) address for service in the United Kingdom is.....

Signature of Applicant(s) (c).....

(c) To be signed by applicant(s).

To the Comptroller,  
The Patent Office,  
25 Southampton Buildings,  
Chancery Lane,  
London, W.C.2.

PATENTS FORM NO. 42

## THE PATENTS (TREATY OF PEACE) RULES, 1920

*Application for Licence in respect of restored Patent under Rule 7.*

[To be accompanied by an unstamped copy and also a statement of case (in duplicate)]

I (We) (a).....  
 .....  
 .....

(a) Give in full, name, address and nationality of applicant(s).

hereby apply for a licence in respect of Letters Patent No.  
 of

A draft licence embodying the terms which I (We) am (are) prepared to accept is annexed.

My (Our) address for service in the United Kingdom is.....  
 .....  
 .....

Signature of Applicant(s) (b).....

(b) To be signed by applicant(s).

To the Comptroller,  
 The Patent Office,  
 25 Southampton Buildings,  
 Chancery Lane,  
 London, W.C.2.

PATENTS FORM NO. 43

## THE PATENTS (TREATY OF PEACE) RULES, 1920

*Application under Rule 8 for Revision of the Terms of a Licence*

[To be accompanied by an unstamped copy and also a statement of case (in duplicate)]

I (We) (a).....  
 .....  
 .....

(a) Give in full, name, address and nationality of applicant(s).

hereby request that the terms of the Licence in respect of Letters Patent No. of  
 which licence is dated ,

and was granted by.....

to.....

may be revised.

The modifications which I (We) desire to have effected are (b) .....

(b) Here state briefly the nature of the revision desired.

A draft licence embodying the terms which  $\frac{\text{(we are)}}{\text{(I am)}}$  prepared to accept (or grant) is annexed.

My (Our) address for service in the United Kingdom is.....  
 .....  
 .....

Signature of Applicant(s) (c).....

(c) To be signed by the applicant(s) whether patentee(s) or licensee(s).

To the Comptroller,  
 The Patent Office,  
 25 Southampton Buildings,  
 Chancery Lane,  
 London, W.C.2.

PATENT.

£5.

## PATENTS FORM NO. 44

## THE PATENTS (TREATY OF PEACE) RULES, 1920

*Application under Rule 9 for the Expropriation, Taking Over, or Selling of restored Patent Rights*

[To be accompanied by an unstamped copy and also a statement of case (in duplicate)]

(a) Give in full, name, address and nationality of applicant(s).

I (We) (a) .....

(b) Strike out words which do not apply.

hereby apply for the expropriation, taking over or sale (b) of (c).....

(c) Here insert particulars of letters patent or application.

No. of .....

My (Our) address for service in the United Kingdom is .....

Signature of Applicant(s) .....

To the Comptroller,  
The Patent Office,  
25 Southampton Buildings,  
Chancery Lane,  
London, W.C.2.

PATENT.

£5.

## PATENTS FORM NO. 45

## THE PATENTS (TREATY OF PEACE) RULES, 1920

*Application to be heard by Tribunal in Respect of the Expropriation, Taking Over, or Selling of Restored Patent Rights*

(a) Give in full, name, address and nationality of applicant(s).

I (We) (a) .....

(b) Strike out words which do not apply.

hereby apply to be heard by the Tribunal in respect of the application to (b) expropriate, take over or sell (c) .....

(c) Here insert particulars of letters patent or application.

No. of .....

My (Our) address for service in the United Kingdom is .....

Signature of Applicant(s) .....

To the Comptroller,  
The Patent Office,  
25 Southampton Buildings,  
Chancery Lane,  
London, W.C.2.

THE PATENTS (TREATIES OF PEACE—AUSTRIA AND BULGARIA) RULES, 1920.  
DATED NOVEMBER 29, 1920

By virtue of the provisions of the Trading with the Enemy Acts, 1914 to 1918, the Treaties of Peace (Austria and Bulgaria) Act, 1920, the Treaty of Peace (Austria) Order, 1920, the Treaty of Peace (Bulgaria) Order, 1920, and the Order of the Board of Trade, dated 9th November, 1920, the Board of Trade do hereby make the following Rules:—

## SHORT TITLE AND COMMENCEMENT

1. These Rules may be cited as the Patents (Treaties of Peace—Austria and Bulgaria) Rules, 1920, and shall come into operation from and immediately after the 29th day of November, 1920.

## APPLICATION OF THE PATENTS (TREATY OF PEACE) RULES, 1920

2. All applications and proceedings under the Order of the Board of Trade dated the 9th day of November, 1920, shall be made in accordance with, and be regulated by, Rules 3 to 12 inclusive, and the First and Second Schedules, of the Patents (Treaty of Peace) Rules, 1920, which shall accordingly apply as if they were herein repeated. For the purposes of these Rules any words used in the said Patents (Treaty of Peace) Rules, 1920, the meanings of which are defined in the Order of the Board of Trade dated the 9th day of November, 1920, shall have the meanings assigned to them by the said Order.

Dated this 29th day of November, 1920.

*R. S. Horne,*

President of the Board of Trade.

COPYRIGHT OF GERMAN AND AUSTRIAN NATIONALS VESTED  
IN CUSTODIAN

ORDER OF THE BOARD OF TRADE, DATED NOVEMBER 9, 1920,  
UNDER SECTION 5 (1) OF THE TRADING WITH THE ENEMY  
AMENDMENT ACT, 1914 (5 GEO. 5, CH. 12), AS TO "VESTED  
COPYRIGHT" AND "RESTORED COPYRIGHT"

In the matter of Divers Rights in Literary and Artistic properties  
vested in the Custodian; and

In the matter of the Trading with the Enemy (Copyright) Act, 1916; and  
In the matter of the Trading with the Enemy Acts, 1914 to 1918; and  
In the matter of the Treaty of Peace (Germany) Act, 1919; and  
In the matter of the Treaties of Peace (Austria and Bulgaria) Act, 1920;  
and

In the matter of the Treaty of Peace (Germany) Order, 1919; and  
In the matter of the Treaty of Peace (Austria) Order, 1920.

Whereas the expression "British copyright" when hereinafter used means copyright as defined by the Copyright Act, 1911, and/or Orders in Council thereunder within the United Kingdom of Great Britain and Ireland and the Isle of Man:

And whereas all the interests, rights, titles or shares of persons being either German nationals or Austrian nationals (as respectively defined by the Treaty of Peace (Germany) Order, 1919, and the Treaty of Peace (Austria) Order, 1920) in, of, or to divers British copyrights were by or by virtue of Orders which were made by the Board of Trade under the Trading with the Enemy Acts, 1914 to 1918, or some or one of such Acts duly vested in the Public Trustee the Custodian for England and Wales under the Trading with the Enemy Amendment Act, 1914 (hereinafter called "the Custodian"):

And whereas by the Trading with the Enemy (Copyright) Act, 1916, it was provided that copyright in all works first published or made in an enemy country during the present war therein referred to, the copyright wherein would, had a state of war not existed, have vested in any person as the owner thereof by virtue of the application to an enemy country of any Order in Council made under the Copyright Act, 1911, should be deemed to vest or to have vested in the Custodian:

And whereas the expression "vested copyright" as hereinafter used means such interest, share, rights or title in, of, or to a British copyright as may by reason or on account of the late war, which expression as herein



used means, as regards Germany and German or former German nationals, the late war between the United Kingdom and Germany, and as regards Austria and Austrian or former Austrian nationals the late war between the United Kingdom and Austria, have been so vested in the Custodian as aforesaid :

And whereas by Article 306 of the Treaty of Peace with Germany and Article 258 of the Treaty of Peace with Austria (which Treaties are hereinafter referred to as the Treaties of Peace) it is provided that rights of literary and artistic property, as such property is defined by the International Conventions in the Treaties mentioned, shall be re-established or restored in the territories of the High Contracting Parties in favour, as the case may be, of the persons who were respectively entitled to the benefit of them at the moment when the state of war commenced, or their legal representatives, and that rights which except for the war would have been acquired during the war in consequence of the publication of a literary or artistic work shall be recognized and established in favour of those persons who would have been entitled thereto, subject nevertheless to the right (thereby reserved) of each of the Allied and Associated Powers to impose limitations, conditions or restrictions as therein mentioned on rights of literary or artistic property acquired before or during or after the war or thereafter referred to by German or Austrian nationals, as the case may be :

And whereas the Convention made on the 24th day of April, 1893, between Great Britain and Austria for securing the rights of authors or their legal representatives over their literary or artistic works has ceased to have effect :

And whereas by Article 1 (XX) of the Treaty of Peace (Germany) Order, 1919, and by Article 1 (XXVI) of the Treaty of Peace (Austria) Order, 1920, the Board of Trade is empowered to prescribe such limitations, conditions and restrictions on rights of literary or artistic property acquired before or during the late war by German or Austrian nationals, as the case may be, as are mentioned in the respective Treaties of Peace :

And whereas it is expedient that such Order or Orders and Directions as are hereinafter contained shall be made and given in regard to vested copyrights and all other British copyrights re-established or restored by virtue of the respective Treaties of Peace :

Now, therefore, the Board of Trade, in exercise of the powers conferred upon them by Section 5 (i) of the Trading with the Enemy Amendment Act, 1914, and/or the Treaty of Peace (Germany) Order, 1919, and/or the Treaty of Peace (Austria) Order, 1920, and of all other powers (if any) them hereunto enabling, do hereby Order and Direct as follows :—

1. (i) Subject to the provisions hereinafter contained, the Custodian shall forthwith divest himself of the vested copyrights in favour, as the case may be, of the respective persons who were at the commencement of the late war, or would but for such war and the relative Vesting Orders and/or the Trading with the Enemy (Copyright) Act, 1916, now be entitled thereto :

Provided always that if by any Order made under the Trading with the Enemy Amendment Acts or any of them which may affect any vested copyright any condition was imposed upon the Custodian which might operate so as to prohibit him from dealing with such copyright, the prohibiting condition shall be and stand discharged upon the Board of Trade certifying to that effect, but so nevertheless that such divesting as aforesaid shall not take effect as regards such copyrights unless and until the Board of Trade shall so certify.

(ii) In the subsequent provisions of this Order the following expressions shall mean and be construed as follows, that is to say :—

“ restored copyright ” shall mean and include any vested copyright of which the Custodian shall have divested himself under the directions in the preceding sub-clause contained and also all other British copyrights and/or any interest, share, rights or title in, of, or to British copyrights re-established or restored in favour of German or Austrian nationals, as the case may be, by virtue of the relative Treaty of Peace :

“ owner of the copyright ” shall have the meaning defined by the

Copyright Act, 1911, and shall mean and include any person for the time being entitled to the benefit of restored copyright :

“ Licensee ” shall in relation to a licence mean and include any person for the time being entitled to the benefit of the licence.

2. In the case of works first published in Austria before the 1st day of July, 1919, a restored copyright shall not be held to confer upon the person entitled thereto any greater protection or privilege than he would otherwise enjoy under the International Convention of Berne for the protection of literary and artistic works made originally on the 9th day of September, 1886, revised at Berne on the 13th day of November, 1908, and completed by the additional Protocol signed at Berne on the 20th day of March, 1914, relating to the protection of literary and artistic works.

3. Subject to the provisions of this Order, voluntary dealings in regard to a restored copyright are permitted between British nationals and German or, as the case may be, Austrian nationals.

4. An assignment or assurance *inter vivos* of a restored copyright shall not be made nor shall any licence be granted under a restored copyright except after notice to and with the consent of the Board of Trade, and any such purporting assignment or assurance *inter vivos* or any such purporting licence which may be made or granted except after such notice and with such consent shall be void and of no effect, and any devolution of a restored copyright otherwise than by an assignment or assurance *inter vivos* shall not be operative unless and until assented to by the Board of Trade.

5. A restored copyright shall remain and be subject to any licence under or in respect thereof which may have been granted by the Custodian under the Trading with the Enemy Amendment Act, 1914, and any such licence shall with the additional rights, powers and privileges next hereafter conferred upon the Licensee be and remain as valid and effectual as if this Order had not been made.

Provided always that in addition to any other rights, privileges or powers to which he may be entitled any such Licensee as aforesaid shall be entitled to call upon the owner of the copyright to take proceedings to prevent infringement thereof, and if within two months after being so called upon such owner fails to take the required proceedings the Licensee may institute the same in his own name as though he himself were the owner of the copyright, making the actual owner thereof a defendant, but so nevertheless that such owner when so added as defendant shall not be liable for any costs unless he enters an appearance and takes part in the proceedings.

Provided further that all powers which by or under any such licence as aforesaid may have been given to or vested in the Board of Trade or the Custodian shall as regards any powers given to or vested in the Custodian be and be deemed to have been transferred to the Board of Trade, and as to all such powers whether given to or vested in the Board of Trade or given to or vested in the Custodian shall be and remain exercisable by the Board of Trade.

6. The Board of Trade have and shall continue to have power upon the application of any person to grant to or in favour of the applicant a compulsory licence under any restored copyright upon such terms as to Royalty or otherwise as may be thought fit (a) if in the opinion of the Board of Trade it is in the public interest that such licence shall be granted, or (b) if the owner of the copyright shall have refused to grant to the applicant a licence upon reasonable terms.

7. The Board of Trade shall, as regards any licence which has been or may be granted under any restored copyright whether the licence is granted as mentioned in Clause 5 hereof or as mentioned in Clause 6 hereof, have power upon the application of the Licensee or of the owner of the copyright to make such revisions or amendments in the licence as may be thought fit whether as regards the Royalty payable thereunder or otherwise, and any such revision or amendment may consist of or include a provision which will preclude the owner of the copyright (a) from importing into the United Kingdom any reproductions the importation of which would if effected by a person other than the owner of the copyright be an infringement of the

copyright, and/or (b) from exercising the copyright or any part thereof in the United Kingdom.

8. Notwithstanding anything herein contained the Board of Trade shall, as regards any restored copyright, have power either without or upon the application of any person interested to expropriate, take over or sell any such copyright on such terms as to indemnity, purchase consideration, or otherwise as may be determined by a special Tribunal to be nominated by the Lord Chancellor for the time being, but so that the President or Chairman of such Tribunal shall be a high judicial officer or a barrister of not less than ten years' standing, and in such case the Board of Trade shall be deemed to have all the powers of the owner of the copyright and may make a good title to any transfer licence or other assurance provided always that the power hereby conferred shall not be exercised unless in the opinion of the Board of Trade the exercise thereof is necessary for the National Defence or in the public interest or for securing in relation to Germany or Austria, as the case may be, the due fulfilment of all the obligations undertaken by them respectively in the respective Treaties of Peace.

9. All Royalties and/or other moneys which but for this provision would by virtue of anything done under or in pursuance of any provision contained in this Order be payable to a German national or an Austrian national shall be divided and paid as follows, namely:—

- (a) in the case of voluntary dealings, 75 per cent. of such Royalties and/or other moneys shall as regards a German national be paid to the Controller of the Clearing Office under the Treaty of Peace (Germany) Order, 1919, and as regards an Austrian national to the Administrator under the Treaty of Peace (Austria) Order, 1920, for the purposes of the Office of such Controller or Administrator, as the case may be, and the remaining 25 per cent. thereof shall be paid to the other party or parties who may be concerned. And this provision shall also apply to Royalties payable in respect of any restored copyright under the terms of the proviso to Section 3 of the Copyright Act, 1911, or of subsection 2 of Section 19 of that Act;
- (b) in every other case the whole of such Royalties and/or other moneys shall as regards a German national be paid to the said Controller and as regards an Austrian national to the said Administrator for the purposes of the Office of such Controller or Administrator, as the case may be.

Provided always that any Royalties under any such licence as is mentioned in Clause 5 hereof which have accrued prior to the date upon which the British copyright shall have become a restored copyright or which may thereafter accrue shall be retained by or paid to the Custodian, as the case may be.

10. The conditions imposed by and other provisions contained in Clauses 4 to 9 of this Order upon or in regard to restored copyrights shall not, except as hereafter mentioned, apply as regards vested copyrights of which the Custodian shall have divested himself under the directions contained in Clause 1 (i) hereof in favour of persons who by or by virtue or in pursuance of the Treaties of Peace have ceased to be either German or Austrian nationals.

Provided nevertheless that as regards such copyrights as last mentioned—

- (I) the copyrights shall remain and be subject to any licence under or in respect thereof which may have been granted by the Custodian under the Trading with the Enemy Amendment Act, 1914, and any such licence shall be and remain as valid and effectual as if this Order had not been made;
- (II) The Board of Trade shall, as regards any licence which has been granted as aforesaid under the copyright, have power, upon the application of the Licensee or of the owner of the copyright, to make such revisions or amendments in the licence as may be thought fit whether as regards the Royalty payable thereunder or otherwise;
- (III) the Licensee shall be entitled to call upon the owner of the copyright to take proceedings to prevent infringement thereof, and if within



two months after being so called upon such owner fails to take the required proceedings, the Licensee may institute the same in his own name as though he himself were the owner of the copyright making the actual owner thereof a defendant, but so nevertheless that such owner when so added as defendant shall not be liable for any costs unless he enters an appearance and takes part in the proceedings.

11. Any application to be made under any provision of this Order shall be made to the Comptroller, Industrial Property Department, Board of Trade, 25 Southampton Buildings, London, W.C.2.

12. The Board of Trade may from time to time make such rules as may be necessary or expedient for the purpose of carrying out the provisions of this Order, and by any such rules may regulate the procedure to be followed and may prescribe the payment of fees and fix the amount thereof, and any such rules whilst in force shall be of the same effect as if the same were contained in this Order.

13. This Order shall not nor shall anything herein contained apply to any copyright or any interest, right, title or share in or to a copyright which has been effectually dealt with in or for the purpose of the liquidation of any business or company as regards which a Winding-up Order has been made under or in pursuance of the Trading with the Enemy Acts, 1914 to 1918, or any of them.

14. The Board of Trade may at any time revoke or vary this Order and any provisions herein contained as well as any rules made under Clause 12 of this Order.

Dated this 9th day of November, 1920.

*R. S. Horne,*  
President of the Board of Trade.

## THE TREATIES OF PEACE (COPYRIGHT) RULES, 1920. DATED NOVEMBER 29, 1920

By virtue of the provisions of the Trading with the Enemy Acts, 1914 to 1918, the Treaty of Peace (Germany) Act, 1919, the Treaties of Peace (Austria and Bulgaria) Act, 1920, the Treaty of Peace (Germany) Order, 1919, the Treaty of Peace (Austria) Order, 1920, and the Board of Trade Order dated the 9th day of November, 1920, the Board of Trade do hereby make the following rules:—

### PRELIMINARY

1. These Rules may be cited as the Treaties of Peace (Copyright) Rules, 1920, and shall come into operation from and immediately after the 29th day of November, 1920.

### INTERPRETATION

2. In the construction of these Rules any words herein used the meanings of which are defined by the Order of the Board of Trade dated the 9th day of November, 1920, or the Copyright Act, 1911, shall have the meanings thereby assigned to them respectively.

“Comptroller” shall mean the Comptroller of the Industrial Property Department, Board of Trade.

“Department” shall mean the Industrial Property Department, Board of Trade, 25 Southampton Buildings, London, W.C.2.

### FEES

3. The fees to be paid under these Rules shall be those specified in the first Schedule to these Rules.

### FORMS

4. The forms herein referred to are the forms contained in the second Schedule to these Rules. Such forms shall be used in all cases to which they are applicable and may be modified as directed by the Comptroller to meet other cases.



## LEAVING

5. Any application, notice, or other document, authorized or required to be left, made, or given, at the Department or to the Comptroller, or to any other person under these Rules, may be sent by a prepaid or official paid letter through the post, and if so sent shall be deemed to have been left, made or given at the time when the letter containing the same would be delivered in the ordinary course of post. In proving such sending, it shall be sufficient to prove that the letter was properly addressed and put in the post.

Where any letter or document is required by these Rules to be transmitted to the owner of the copyright and the name and address of such owner cannot be ascertained, such letter or document may be sent to the person whose name and address appears upon the work in question as purporting to be the publisher or proprietor thereof, or, if no such name or address appears upon the work, then to such other person as may appear to the Comptroller to be the interested party. A letter so addressed, or addressed to an applicant in any proceedings under these Rules at the address for service appearing on the application, shall be deemed to be sufficiently addressed.

Every applicant under Rules 8, 9 and 10 of these Rules shall furnish an address for service in the United Kingdom.

## VOLUNTARY DEALINGS IN REGARD TO A RESTORED COPYRIGHT

6. Where any assignment or assurance of a restored copyright or any licence under a restored copyright has been agreed between parties, application for the consent of the Board of Trade to any such assignment, assurance or licence shall be made on Form T.P. (Copyright) No. 1 before the execution of the document effecting such assignment, assurance or licence. Such application shall be accompanied by two copies of the draft document proposed to be executed, and by a statutory declaration that such proposed assignment, assurance or licence does not form part of any other transaction or series of transactions between the parties concerned in reference to the restored copyright, and that no valuable consideration other than that mentioned in the draft document has been or will be paid or given in respect of the proposed assignment, assurance or licence.

## DEVOLUTION OF TITLE BY OPERATION OF LAW

7. Where any person claims to be entitled to the benefit of or any interest in a restored copyright by virtue of operation of law, arising after the outbreak of war, he shall make application for the consent of the Board of Trade to his title as claimed being recognized upon Form T.P. (Copyright) No. 2. Such application shall be accompanied by a copy of the instrument or other document under which the applicant claims title.

## APPLICATION FOR LICENCE UNDER RESTORED COPYRIGHT OTHER THAN UNDER RULE 6

8. An application for the grant of a licence under a restored copyright shall be made upon Form T.P. (Copyright) No. 3. Such application shall be accompanied by an unstamped copy, a copy of the work in respect of which a licence is desired, and a statement in duplicate setting out fully the reason for making the application, the facts upon which the applicant bases his case, and the terms of the licence which he is prepared to accept. A copy of the application and of the statement will be transmitted to the owner of the copyright.

Upon such application being made and copy thereof transmitted to the owner of the copyright, the latter, if desirous of contesting the application, shall within one month of the date of transmission of such copy, or such further time as the Comptroller may allow, leave at the Department a counter-statement fully setting out the grounds upon which the application is contested, and on so leaving shall deliver to the applicant a copy thereof.

Upon receipt of such counter-statement and/or any further evidence the Comptroller may require, the Comptroller shall proceed to determine the application.

#### APPLICATION FOR REVISION OF LICENCE

9. An application for the revision of a licence, whether granted by the Custodian, or under these Rules, under a restored copyright shall be made upon Form T.P. (Copyright) No. 4. Such application shall be accompanied by an unstamped copy and a statement in duplicate setting out fully the facts upon which the applicant bases his case and the terms of such licence as he is prepared to accept or grant. A copy of the application and of the statement will be transmitted by the Comptroller to the owner of the copyright or the Licensee concerned as the case may be.

Upon such application being made and copy thereof transmitted the owner of the copyright or licensee, as the case may be, if desirous of contesting the application, shall, within one month of the date of transmission of such copy, or such further time as the Comptroller may allow, leave at the Department a counter-statement fully setting out the grounds upon which the application is contested, and on so leaving shall deliver to the applicant a copy thereof.

Upon receipt of such counter-statement and/or any further evidence the Comptroller may require, the Comptroller shall proceed to determine the application.

#### APPLICATION FOR THE EXPROPRIATION, TAKING OVER OR SALE OF A RESTORED COPYRIGHT

10. An application for the expropriation, taking over or sale of any restored copyright shall be made on Form T.P. (Copyright) No. 5. Such application shall be accompanied by an unstamped copy, a copy of the work in question, and a statement in duplicate setting out fully the reason for making the application and the facts upon which the applicant bases his case. A copy of the application and of the statement will be transmitted by the Comptroller to the owner of the copyright.

Upon such application being made and copy thereof transmitted to the owner of the copyright, the latter if desirous of contesting the application shall, within one month of the date of transmission of such copy, or such further time as the Comptroller may allow, leave at the Department a counter-statement fully setting out the grounds upon which the application is contested, and on so leaving shall deliver to the applicant a copy thereof.

Upon receipt of such counter-statement and/or any further evidence the Comptroller may require, the Comptroller shall proceed to determine whether the application shall be granted and be referred to a special tribunal for the settlement of terms.

Where it is decided to grant the application and refer it to a special tribunal for the settlement of terms, application to be heard by special tribunal shall be made upon Form T.P. (Copyright) No. 6.

#### HEARINGS

11. Before deciding any issue raised under Rules 8, 9 and 10 of these Rules or before exercising any discretionary power given to the Comptroller under the Order of the Board of Trade, dated the 9th day of November, 1920, or these Rules, adversely to any party the Comptroller shall give ten days' notice, or such longer notice as he may think fit, to the party or parties as the case may be of the time when he is prepared to hear such party or parties or their representatives.

#### EVIDENCE

12. In lieu of or in addition to any oral evidence that may be given at a hearing the Comptroller may require any party to file evidence by way of statutory declaration and allow any declarant to be cross-examined on his declaration.

## TRANSLATIONS

13. If any instrument or document (other than a work the subject of an application) furnished in accordance with these Rules is in a foreign language, English translation thereof shall be annexed thereto, the Comptroller may if he thinks fit require such translation to be verified by statutory declaration or otherwise to his satisfaction.

## COSTS

14. The Comptroller may award costs in any proceedings under these Rules, and direct how and by what parties they are to be paid. Further, in any case in which he thinks fit the Comptroller may require any person initiating proceedings to give security for costs, and in the event of such security not being forthcoming, may dismiss the application in question.

## GENERAL

15. Where, under these Rules, any person is required to do any act or thing, or to sign any document, or to make any declaration on behalf of himself or of any body corporate, or any document or evidence is required to be produced or left with the Comptroller, or at the Department, and it is shown to the satisfaction of the Comptroller that from any reasonable cause such person is unable to do such act or thing, or to sign such document or to make such declaration, or that such document or evidence cannot be produced or left as aforesaid, it shall be lawful for the Comptroller, upon the production of such other evidence and subject to such terms as he may think fit, to dispense with any such act or thing, document, declaration or evidence.

Dated this 29th day of November, 1920.

*R. S. Horne,*  
President of the Board of Trade.

## FIRST SCHEDULE

## FEES

Subject or Proceeding.	Amount.	Corresponding Form.
	£ s. d.	
On application under Rule 6 for consent of Board of Trade to assignment, assurance, or licence of a restored copyright—		
(a) where the consideration is less than £1.	0 5 0	Form T.P. (Copyright) No. 1.
(b) where the consideration is £1 or more but less than £2.	0 10 0	„ „ „
(c) where the consideration is £2 or more but less than £5.	1 0 0	„ „ „
(d) where the consideration is £5 or more.	2 0 0	„ „ „
On application under Rule 7 for consent of Board of Trade to devolution of title to a restored copyright by operation of law.	2 0 0	„ „ No. 2.
On application for licence under a restored copyright.	2 0 0	„ „ No. 3.
On application for revision of licence.	5 0 0	„ „ No. 4.
On application for expropriation, taking over, or sale of a restored copyright.	5 0 0	„ „ No. 5.
On application for hearing by special tribunal in respect of the expropriation, taking over, or sale of a restored copyright.	5 0 0	„ „ No. 6.
For office copies, every 100 words (but never less than 1s.).	0 0 6	—

## SECOND SCHEDULE

## FORMS

## FORM T.P. (COPYRIGHT) No. 1

**PATENT.**  
*ss. to £2.* TREATIES OF PEACE (COPYRIGHT) RULES, 1920  
*Application under Rule 6 for consent of Board of Trade to Assignment, Assurance or Licence of a Restored Copyright*

I (or We) (a) .....  
 .....  
 hereby apply for the consent of the Board of Trade to an Assignment  
 Licence (b) being  
 executed in respect of the restored copyright (c) .....  
 .....  
 in the work entitled .....  
 by .....  
 published by (d) .....  
 .....  
 Two copies of the Assignment  
 Assurance (e) in question, the terms of which have been agreed  
 Licence  
 between (f) .....  
 of the one part and .....  
 of the other, accompany this application.  
 My (or Our) address for service is  
 .....  
 .....  
 .....  
 (g).....

NOTE.—A Statutory Declaration must also accompany this application (*see* Rule 6 of the Treaties of Peace (Copyright) Rules, 1920), and the form given overleaf may be used for this purpose.

To the Comptroller,  
 Industrial Property Department,  
 Board of Trade,  
 25 Southampton Buildings,  
 London, W.C.2.

## FORM OF DECLARATION

I .....  
 of .....  
 do hereby solemnly and sincerely declare that the transaction described in the document accompanying the application made on the other side hereof does not form part of any other transaction or series of transactions between the parties concerned in reference to the restored copyright described therein: and that no valuable consideration other than that mentioned in the draft document has been or will be paid or given in respect of the proposed assignment, assurance, or licence.  
 And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1835.  
 (Signature of Declarant).....  
 Declared at.....  
 this.....day of.....192 .  
 before me <sup>1</sup> .....

<sup>1</sup> Signature of authority before whom Declaration is made.



PATENT.

£2.

## FORM T.P. (COPYRIGHT) NO. 2.

## TREATIES OF PEACE (COPYRIGHT) RULES, 1920

*Application under Rule 7 for consent of Board of Trade to Devolution of Title to a Restored Copyright by operation of Law*

(a) Give in full, name, address and nationality of applicant(s).  
 (b) If only part of the copyright is involved, the particular right should be indicated.  
 (c) Name and address of publisher.  
 (d) Insert nature of claim.  
 (e) If the instrument is in a foreign language, an English translation should be annexed.  
 (f) To be signed by applicant(s).

I (or We) (a) .....  
 hereby apply for the consent of the Board of Trade to the benefit of the restored copyright (b).....

in the work entitled .....  
 by .....  
 published by (c) .....  
 devolving upon me.

I (or We) claim to be entitled to (d) .....  
 .....  
 by virtue of an instrument (e) dated .....  
 copy of which accompanies this application.

My (or Our) address for service is .....  
 .....  
 (f).....

To the Comptroller,  
 Imperial Property Department,  
 Board of Trade,  
 25 Southampton Buildings,  
 London, W.C.2.

## FORM T.P. (COPYRIGHT) NO. 3

## TREATIES OF PEACE (COPYRIGHT) RULES, 1920

*Application for Compulsory Licence in respect of a Restored Copyright under Rule 8*

[To be accompanied by an unstamped copy and also a statement of case (in duplicate)]

(a) Give in full, name, address and nationality of applicant(s).  
 (b) If a licence is desired in respect of part of the copyright, the particular right should be indicated.  
 (c) Name and address of publisher.

I (or We) (a) .....  
 hereby apply for a licence in respect of the restored copyright (b).....  
 .....  
 in the work entitled .....  
 by .....  
 published by (c) .....  
 at .....in the year .....

The grounds upon which this application is made, and the terms of the draft licence which I am (we are) prepared to accept, are set out in the accompanying statement of case.

A copy of the work is annexed hereto.

My (or Our) address for service in the United Kingdom is .....  
 .....  
 (d).....

(d) To be signed by the applicant(s).

To the Comptroller,  
 Industrial Property Department,  
 Board of Trade,  
 25 Southampton Buildings,  
 London, W.C.2.

NOTE.—Under paragraph 6 of the Order of Board of Trade dated the 9th day of November, 1920, a compulsory licence may only be granted (a) if in the opinion of the Board of Trade it is in the public interest that such licence should be granted, or (b) if the owner of the copyright has refused to grant to the applicant a licence upon reasonable terms.

FORM T.P. (COPYRIGHT) No. 4

PATENT.  
£5.

## TREATIES OF PEACE (COPYRIGHT) RULES, 1920

*Application under Rule 9 for Revision of Terms of a Licence*

[To be accompanied by an unstamped copy and also a statement of case (in duplicate)]

- (a) Give in full, name, address and nationality of applicant(s).....  
I (or We) (a).....  
hereby request that the terms of the Licence in respect of the copyright (b).....  
in the work entitled.....  
by.....  
which licence is dated....., and was granted by.....  
to.....  
may be revised.  
The modifications which I (or We) desire to have effected are (c).....  
A draft licence embodying the terms which I am (We are) prepared to accept (grant) is annexed.  
My (Our) address for service in the United Kingdom is.....  
.....  
(d).....
- (d) To be signed by the applicant(s) whether owner(s) of the copyright or licensee(s).  
To the Comptroller,  
Industrial Property Department,  
Board of Trade,  
25 Southampton Buildings,  
London, W.C.2.

FORM T.P. (COPYRIGHT) No. 5

PATENT.  
£5.

## TREATIES OF PEACE (COPYRIGHT) RULES, 1920

*Application under Rule 10 for the Expropriation, Taking Over, or Sale of a Restored Copyright*

[To be accompanied by an unstamped copy and also a statement of case (in duplicate)]

- (a) Give in full, name, address and nationality of applicant(s).....  
I (or We) (a).....  
hereby apply for the expropriation, taking over or sale (b) of the restored copyright (c).....  
in the work entitled.....  
by.....published by (d).....  
.....at.....  
in the year.....  
A copy of the work accompanies this application.  
The grounds upon which this application is made are set out in the annexed statement of case.  
My (Our) address for service in the United Kingdom is.....  
.....  
(e).....
- (e) To be signed by the applicant(s).  
To the Comptroller,  
Industrial Property Department,  
Board of Trade,  
25 Southampton Buildings,  
London, W.C.2.

FORM T.P. (COPYRIGHT) No. 6

PATENT.  
£5.

TREATIES OF PEACE (COPYRIGHT) RULES, 1920

*Application for hearing before Tribunal in respect of the Expropriation, Taking Over, or Sale of a Restored Copyright*

(a) Give in full, name, address and nationality of applicant(s). I (or We) (a) .....  
.....  
.....  
(b) Strike out words which do not apply. hereby apply to be heard by the Tribunal in respect of the application to expropriate, take over, or sell (b) the restored copyright (c).....  
.....  
(c) If part only of the copyright is involved, the particular right should be indicated. in the work entitled .....  
by .....  
My (Our) address for service in the United Kingdom is .....  
.....  
.....  
(d) To be signed by the applicant(s). (d).....

To the Comptroller,  
Industrial Property Department,  
Board of Trade,  
25 Southampton Buildings,  
London, W.C.2.

## APPENDIX XII

### NOTICE ISSUED UNDER ARTICLE 299 (b) OF THE TREATY OF VERSAILLES

NOTIFICATION was given by His Majesty's Government to the German Government on 9th July under Article 299 (b) of the Treaty of Versailles in the following terms :—

The dissolution of contracts by Article 299 is not considered to affect the proprietary interests of shareholders or debenture holders of companies, or the constitution of companies, but in order that no doubt may exist on the point notice is given in accordance with Article 299 (b) that the execution of contracts conferring proprietary rights on shareholders or debenture holders of companies and of contracts for the constitution of companies is required in the general interest.

BOARD OF TRADE.

24th July, 1920.



## APPENDIX XIII

### ARRANGEMENT BETWEEN THE BRITISH AND AUSTRIAN GOVERNMENTS WITH REGARD TO THE SETTLEMENT OF PRE-WAR DEBTS

BOARD OF TRADE,  
GREAT GEORGE STREET,  
LONDON, S.W.1.  
13th October, 1920.

As a result of discussions which took place in London between the Board of Trade and the Austrian Minister of Finance, the attached memorandum was communicated to the Austrian Government by His Majesty's Representative at Vienna, on the 27th August.

In reply, a note dated the 2nd October has been received by His Majesty's Representative from the Austrian Secretary of State for Foreign Affairs, of which a translation is given below.

"By a note dated August 27th, 1920, His Britannic Majesty's Government made known the conditions subject to which Section 3 and the annex thereto of Part X of the Treaty of St. Germain between the United Kingdom and the British Colonies and Protectorates, with the exception of Egypt on the one hand, and the Austrian Republic on the other, would be applied."

"The Government of the Austrian Republic would accept those conditions with an expression of thanks, and declares it will take the necessary steps to ensure their observance and execution by the Austrian Republic and its citizens in so far as the United Kingdom and India and New Zealand, which have notified their adhesion within the time appointed, are concerned. The Austrian Government, however, takes this opportunity of expressing the hope that still further facilities will be granted to it and to its citizens as regards the settlement of private pre-war debts."

His Britannic Majesty's Government having given notice that they adopt Section 3 and the annex thereto of Part X of the Treaty of St. Germain as between Austria on the one hand and the United Kingdom and the British Colonies and Protectorates, with the exception of Egypt, on the other hand, and being desirous of affording all opportunity to the Austrian Government for the full execution of their obligations thereunder, are prepared to agree that the said Section and annex shall be subject in their application to the provisions set out below.

H.M. Government expect that the Austrian Government will agree to accept notice of the adoption of the said Section and annex as between Austria and any of the British Dominions or India if given at any time within a period of one month from the present date.

1. Notwithstanding the provisions of Article 248 (a) of the Treaty of St. Germain, direct communication may be permitted with the consent of the two Clearing Offices between the interested parties with regard to the settlement of debts due by Austrian nationals to British nationals. Such settlements may be permitted with the sanction of the Clearing Offices in each case.

The British Clearing Office will be prepared to consider applications made before 31st March, 1921, for the release of property, rights and interests chargeable under paragraph 4 of the annex to Article 249 of the Treaty with a view

to the settlement of debts by amicable arrangement, provided that the proportion of the assets so to be released to the amount of the debts removed by the arrangement from the operation of the Clearing Offices is not such as, in the opinion of the British Clearing Office, will have the effect of reducing the dividend payable from Austrian property subject to the charge to British creditors generally.

2. The proceeds of liquidation of Austrian property, rights and interests and cash assets of Austrians, within the territories of the British Empire in respect of which notice has been given of the adoption of the Clearing Office system, will be credited to the Austrian Government in the account referred to in paragraph 11 of the annex to Article 248.

Similarly, the proceeds of liquidation of British property, rights and interests, and cash assets of British nationals, for which the Austrian Government is liable to account in accordance with the provisions of Section IV of Part X of the Treaty of St. Germain, shall be credited to the British Government in this account. Compensation awarded by the Mixed Arbitral Tribunal under paragraph (e) of Article 249 shall also be credited in the same account.

3. H.M. Government expect that the Austrian Government will use its best endeavours to collect the debts due through the Clearing Offices from its nationals to British nationals as promptly as possible. This requirement applies in the case of debts originally payable in kronen, only to the original amount in kronen of such debts with interest thereon at the rate provided by Section III of Part X of the Treaty.

His Britannic Majesty's Government will not require payment of the balances referred to in paragraph 1 of the annex to Article 248 within the periods therein prescribed. In return the Austrian Clearing Office shall pay to the British Clearing Office not later than the 31st March and the 30th September in each year beginning with the year 1921 the sterling value of the amounts collected from Austrian nationals during the previous six months, the sum to be paid in each half-year being not less than 250,000 pounds sterling or the sterling equivalent of 140,000,000 kronen, whichever of the two is the greater. Each of the first eight minimum payments to be made may, however, be reduced to the extent of 100,000 pounds or the sterling equivalent of 56,000,000 kronen by the amounts previously paid in cash, direct by Austrian debtors to British creditors in accordance with arrangements sanctioned by the Clearing Offices, and provided out of funds which are not chargeable under the Treaty.

Such payments shall continue until the balance against Austria in the account above referred to, with simple interest at 5 per cent., shall have been fully met.

The payment to be made by 31st March, 1921, shall include the sterling value at the current rate of exchange of the proceeds of liquidation and cash assets of British nationals referred to in Article 249 (h) (1) of the Treaty of Peace.

4. H.M. Government propose that the detailed arrangements for the restitution of British property in Austria should form the subject of a further agreement to be arrived at at the earliest possible date.

5. Subject to the right of the British authorities to refuse permission in any particular case, and to the Laws for the time being in force, Austrian nationals will be permitted upon request notified to the appropriate British authority to bid at any sale by auction of their property in the United Kingdom.

6. It is to be understood that none of the above provisions affect the liability of the Austrian Government under the Treaty of Peace in respect of the currency and rate of exchange at which moneys shall be credited through the Clearing Offices.

## APPENDIX XIV

### AGREEMENT BETWEEN THE BRITISH AND GERMAN GOVERNMENTS RESPECTING ARTICLE 297 OF THE TREATY OF VERSAILLES OF JUNE 28, 1919 (PROPERTY, RIGHTS AND INTERESTS)<sup>1</sup>

London, December 31, 1920

THE Government of His Britannic Majesty and the German Government, with a view to the settlement of certain matters arising under Article 297 of the Treaty of Peace between the Allied and Associated Powers and Germany signed at Versailles on the 28th June, 1919, have agreed as follows :—

#### ARTICLE 1

The Departments established in the United Kingdom and Germany for the settlement of matters relating to property, rights and interests will mutually appoint a representative or representatives in Berlin and London, through whose intervention communications may be exchanged between the respective Departments. These representatives will constitute in London and Berlin respectively offices which shall be established at the earliest possible date.

#### ARTICLE 2

Property, rights and interests in Germany of British nationals which have been subjected to exceptional war measures, but have not been completely liquidated, shall be restored to them immediately upon application, in accordance with the provisions of Article 297 (a), free of any private lien in respect of any of the matters referred to in Article 4, or of any costs, charges or expenses of liquidation, administration or supervision, or any deduction whatsoever. The right of private persons to make such claims in respect of maintenance, safe-keeping or administration as are provided for under Article 4 is however recognized. This application may be made by the owner or his agent direct to the "Landeszentralbehörde" concerned, or, if it is not known in what part of Germany the property is situated, to the "Reichsministerium für Wiederaufbau." It shall be in writing and shall be signed by the applicant, whose signature shall be duly authenticated, and, if the applicant is the agent of the owner, it shall be accompanied by duly authenticated proof of his authorization.

It shall state—

1. The name and address of the owner.
2. The name of his agent (if any) and the address at which the property, rights or interests, or the documents of title shall be delivered.
3. A list, as complete as possible, of the property, rights and interests to be restored. If this list cannot be made complete by the owner, it shall be completed by the German authorities from the information in their possession.

<sup>1</sup> In the Agreement as published the English and German texts are set out in parallel columns, but it has not been thought necessary to reproduce the German text here.

4. A detailed statement as to the locality where the property to be restored was left by the owner, or, in the case of real property or business undertakings, a statement of the locality in which such property or undertakings was situated.

Applications should be signed by the applicant, under whose signature a justice of the peace, barrister or commissioner for oaths should certify—

- (a) That the applicant is well known to him.
- (b) That the signature is the signature of the applicant.

The person so certifying shall give his description and address.

Such a certificate shall be regarded as sufficient proof of the authenticity of the applicant's signature.

Alternatively, the application shall be accompanied by a statutory declaration, declared before a justice of the peace or a commissioner for oaths by the applicant, to the effect that he is the owner of the property in question. In any special case, such as that of inheritance, in which the ownership of the property has been altered since the taking effect of the exceptional war measure, the German authority shall, in addition to the certified application, be entitled to call for production of a statutory declaration setting out the title to the property of the claimant.

### ARTICLE 3

Where any prohibition or restriction exists upon the exportation from Germany of British property detained in Germany during the war, a licence to export such property, free of all conditions, shall be issued by the competent German authority immediately upon application by the British Office through the "Reichsministerium für Wiederaufbau."

### ARTICLE 4

Claims by private persons in respect of expenses incurred in maintenance, safe-keeping and administration of British property in Germany will be settled in the following ways: the property in question shall be restored immediately upon application by the owner, free of any private lien in connexion with such expenses.

- (a) In the case of claims constituting debts within the scope of the Clearing Office, the British Clearing Office will guarantee to credit to the German Clearing Office such sums as may be admitted or found due, without taking advantage of the exceptions contained in paragraph (b) of Article 296 and paragraph 4 of the Annex thereto.
- (b) Claims in respect of the period up to the 10th January, 1920, not falling within the scope of the Clearing Offices will be met by the German Government under paragraph (i) of Article 297. Any amounts admitted or found due from British nationals by the Mixed Arbitral Tribunal, to whose decision they shall in case of dispute be submitted, in respect of such claims will be credited to the German Government in the account relating to German property, rights and interests.
- (c) Claims in respect of the period after the 10th January, 1920, if not admitted by the owner, will be submitted for decision to the Mixed Arbitral Tribunal, and the British Clearing Office will guarantee payment of any amounts admitted or found due from British nationals by the Tribunal.

The obligation of the German Government under Article 2 and the present Article to restore property free of any private lien shall not apply to any property in respect of which the British Office declines to apply the provisions of the present Article.

### ARTICLE 5

A statement of the condition of the property, rights or interests restored shall be drawn up in writing in quadruplicate at the time of restitution and



signed by the German administrator, liquidator or supervisor (as the case may be), a representative of the German State Department ("Landeszentralbehörde") and the owner; one copy to be retained by the owner, one by the State Department, one by the administrator, liquidator or supervisor, and one to be transmitted by the State Department to the British Office in Berlin.

#### ARTICLE 6

Without prejudice to the rights of His Majesty's Government or the owner under paragraphs 8 and 13 of the Annex to Section 4 of Part X of the Treaty of Versailles, delivery of the documents referred to under Article 13 of the Annex relating to property, rights and interests falling within Article 297 (a) shall not ordinarily be required until the restitution of the property, rights or interests. Nevertheless the final report of the liquidator, administrator or supervisor and any further summary information required by the owner shall be handed or sent to him at his request at any time, whether before or after application for restitution, and he shall be given free access to all the documents referred to above. Where property has been completely liquidated all the documents shall be handed to the British national concerned, or to his representative, or if so desired by him, sent to him or to such person as he may direct, at his expense and risk immediately upon his application by the Landeszentralbehörde, or the Reichsministerium.

#### ARTICLE 7

In all relations with the German authorities under the preceding Articles, British nationals may act personally or through the British Clearing Office or other authorized agent. If the British Clearing Office is appointed agent to act on behalf of a British national, it shall furnish the German Office with a certificate to that effect. Delivery to the British Clearing Office or other authorized agent shall be equivalent to delivery to the owner.

#### ARTICLE 8

In so far as it is not otherwise expressly agreed by the claimant, the signature by the claimant or his agent to any kind of document in connexion with the restitution to him direct of his property, rights or interests, whether affixed before or after the signing of this Agreement, shall in no way prejudice any right to compensation which the claimant may have under the provisions of the Treaty of Versailles.

#### ARTICLE 9

Any entries in Public Registers and Land Registers necessary in order to effect, complete or validate the restitution of property, rights or interests referred to in this Agreement to the British national concerned, will be made by the German authorities without delay and free of cost, in accordance with the provisions of the local law.

#### ARTICLE 10

Claims by British nationals for compensation under Article 297 (e) may, notwithstanding their notification to the Mixed Arbitral Tribunal, be submitted through the British Office in Berlin to the German authorities concerned for the purpose of effecting settlement of the claims by agreement, and the State Department concerned may transmit to the British Office the terms of settlement proposed by them in respect of any claim. If a settlement is arrived at as a result of negotiations thus originated, the German Government shall transmit to the British Office in Berlin a consent to such settlement, which shall be submitted to the Mixed Arbitral Tribunal for formal judgment.

#### ARTICLE 11

The British Government will be prepared, on application through the German Office in London, to release from the charge established under the

Treaty of Peace household furniture and effects, personal belongings and family souvenirs, and implements of trade belonging to German nationals, with the exception of articles of special value, up to an amount of 500*l.*, in addition to the amount of the charges for their conservation and insurance incurred after the 4th August, 1914, and up to the date of their release, in any case where the competent German authority certifies that the income of the applicant does not exceed the equivalent of 400*l.* a year at current rate of exchange. The value of the property to be released, unless otherwise agreed, shall be determined by a licensed valuer to be appointed by the British Clearing Office, and the charge for such valuation shall be paid by the owner of the property prior to its release. Applications for such release must be made within a period of six months from the ratification of this Agreement.

Subject to the right of the British authorities to refuse permission in any particular case, and to the laws for the time being in force, German nationals will be permitted, on request conveyed to the British Clearing Office, to bid at any sale by auction of their property in the United Kingdom. The date of any sale of property in respect of which such a request is made shall be notified to the German Office.

#### ARTICLE 12

Property released under the provisions of the first paragraph of the preceding Article will be placed at the disposal of the claimant, or the German Office in London, upon payment of any expenses incurred by the British authorities, and of any other charges on the property, notwithstanding the fact that such charges or expenses may constitute debts within the meaning of Article 296.

#### ARTICLE 13

The British Clearing Office will furnish the German Office in London with summaries in respect of German property, rights and interests liquidated in the United Kingdom.

The existing books of account of German businesses liquidated in the United Kingdom, or other parts of the British Empire above referred to, except where they have been transferred to the purchaser of a business, will be preserved and ultimately handed to the German authorities. In the meantime the former German owner will be permitted access to the said books on payment of any incidental expenses, and where such books are in the custody of a purchaser, an endeavour will be made to procure access thereto for the former German owner on the like terms.

The British Clearing Office will also furnish summary particulars, if in its possession, of the results of sales by auction or tender and also summary particulars of property registered with the British custodian in individual cases at the request of the German Office in London.

#### ARTICLE 14

Where property, rights or interests of German nationals or the proceeds thereof, not being debts within Article 296, are or have been released from the charge created under Section 4 of Part X, the German Office in London will be notified by the British Clearing Office and the property or proceeds will not be accounted for through the Clearing Offices.

#### ARTICLE 15

This Agreement shall be ratified, and the ratifications shall be exchanged at London as soon as possible. Pending the ratification, both parties shall bring into application the provisions of the Agreement, so far as it is possible to apply them administratively, it being understood, however, that the actual release of German property from the charge established under the Treaty of Peace, provided for in Article 11, will not take place until after ratification.

In witness whereof the undersigned, duly authorized by their respective

Governments, have signed the present Agreement and have affixed thereto their seals.

Done in duplicate at London, in English and German texts, the 31st day of December, 1920.

(L.S.) *Curzon of Kedleston.*

(L.S.) *Sthamer.*

*Protocol*

On proceeding to sign the Agreement concluded this day between the United Kingdom and Germany, concerning the execution of Article 297 of the Treaty of Versailles, the undersigned, in order to define precisely to what classes of persons and property the Agreement relates, have drawn up the following declaration :—

It is agreed that the stipulations of the said Agreement cannot be invoked in respect of British nationals ordinarily resident and British Companies incorporated in any part of the British Empire outside the United Kingdom, and that similarly the stipulations of the Agreement cannot be invoked to the benefit of German nationals in respect of their property, rights or interests in any part of the British Empire outside the United Kingdom.

Nevertheless, at the request of His Britannic Majesty's Government made at any time within three months from the present date, the Agreement shall be made to apply reciprocally to India as well as to the United Kingdom, in its present form or with such modifications as may be agreed upon between the Contracting Parties.

In witness whereof the undersigned have signed the present Protocol and affixed thereto their seals.

Done at London in duplicate, this 31st day of December, 1920.

(L.S.) *Curzon of Kedleston.*

(L.S.) *Sthamer.*

## APPENDIX XV

### RULES OF PROCEDURE OF THE ANGLO-GERMAN MIXED ARBITRAL TRIBUNAL CONSTITUTED UNDER ARTICLE 304 OF THE TREATY OF VERSAILLES

#### TIME FOR PRESENTATION OF CLAIMS

1. THE time within which claims are to be submitted to the Tribunal shall be as follows :—

##### (a) *Appeals under Article 296, Annex, paragraph 20*

Within thirty days of the communication of the joint decision of the two clearing offices to the Appellant.

##### (b) *Claims under Article 297*

Within twelve months from the date of the publication of these rules in the place at which such Claimant is residing, or within six months from the date on which the Claimant learnt that damage or injury had been inflicted on his property, rights or interests, or within six months from the date on which the Claimant learnt that restitution under Section (f) of the said Article had been made or refused, whichever period is the longer.

##### (c) *Claims under Article 305*

Within twelve months of the publication of these Rules in the place at which such Claimant is residing, or within twelve months of the date on which the decision was given, or within six months of the date on which such decision came to the knowledge of the Claimant; whichever period is the longer.

##### (d) *In all other cases*

Within twelve months from the date of the publication of these Rules in the place at which such Claimant is residing, with the exception of those cases provided for in Rule 22 where the limitations of time imposed by these Rules are stated not to apply.

After the expiration of the times prescribed by this Rule, no claim will be accepted without the special leave of the Tribunal.

2. All claims, answers and other written proceedings must be delivered or sent by post to the Tribunal Secretariat, at 21 St. James's Square, London, S.W.1.

#### GENERAL RULES RELATING TO WRITTEN PROCEEDINGS

##### MEMORIAL

3. The claim shall be typewritten or printed and shall state :—

(a) The name, nationality, domicile and address of the Claimant.

(b) In cases where the Claimant is not claiming in his own right and on his own behalf, in what right he claims and the name, nationality, domicile and address of the person on whose behalf he is claiming.



(c) In cases where the claim is made by a company or body corporate, its name, nature and domicile and place of incorporation (if any), and the address of its office or chief offices; and in cases where the claim is made by an association not being a company or body corporate (whether recognized by the law of the country where it is domiciled as a legal entity or not), in addition to the above, the names and nationality of all persons who are partners of such association or interested therein.

(d) Whether the claim is brought against a Government or national, and in the latter case giving the name and last known address of such national, or if such national be a company, body corporate or other association, the address of its chief office, if known, or, if the address of the chief office be not known, of the office of which the address is known to the Claimant.

(e) The nature of the claim, the relief sought and, where the relief sought is pecuniary, the amount claimed.

(f) Under which article and paragraph of the Treaty the claim is made.

(g) The name and address of the solicitor or other authorized representative (if any) of the Claimant.

(h) The person to whom, and address at which, all communications are to be sent on behalf of the Claimant.

4. The claim shall be accompanied by a concise statement of the facts and an exhibit of copies of any documents relied upon in support thereof.

5. The claim accompanied by such statement and exhibit shall be known and is hereinafter referred to as the memorial.

6. Six true copies of the memorial shall be supplied with the memorial. The memorial shall, unless otherwise agreed by the parties and permitted by the Tribunal, be in English; and if the memorial be not in English, it shall be accompanied by an English translation and at least three of the copies shall be copies of such translation.

7. On receipt of the memorial and the six copies thereof, the Secretariat will acknowledge such receipt to the Claimant, and will transmit one copy to the Government Agent of the Claimant and two copies of the memorial to the Government Agent of the Respondent. Such last-mentioned Agent shall acknowledge the receipt thereof to the Secretariat and shall cause one copy of the memorial to be served on the Respondent.

8. Except in cases provided for in Rule 35 (a), the receipt of the memorial by such Agent shall be sufficient notice to the Respondent of the claim made against him, and the Respondent shall, within sixty days after the receipt of the memorial by such Agent, present his answer to the Tribunal. If no answer be presented, the case may be proceeded with in the absence of the Respondent as provided in Rule 33.

#### RESPONSE

9. Rule 3 (a), (b), (c), (g) and (h) and Rule 4 shall apply *mutatis mutandis* to the answer; and in addition the Respondent must in his statement of facts accompanying the answer, if he desires to dispute the allegations in the memorial, expressly deny or otherwise answer or explain the same. Any facts not dealt with by the Respondent will be treated as admitted. The answer shall be accompanied by an exhibit of copies of documents relied on.

10. The answer accompanied by such statement and exhibit shall be known as and is hereinafter referred to as the response.

11. Six true copies of the response shall be supplied with the response to the Tribunal and the provisions of Rule 6 shall apply to the response.

12. On receipt of the response and the six copies thereof, the Secretariat will acknowledge such receipt to the Respondent and will transmit one of such copies of the response to the Claimant (who shall acknowledge the receipt thereof to the Secretariat), and one to the Government Agent of the Claimant and one to the Government Agent of the Respondent.

13. Should the Respondent desire to make a claim against the Claimant, he must do so by a separate claim and not by a counter-claim, but the Tribunal may, if it thinks fit, hear both claims at the same hearing.

14.—(a) If the Respondent objects to the jurisdiction of the Tribunal to entertain the claim or any part thereof, he shall specifically take such objection in his answer, and the Tribunal may, if it thinks fit, consider and decide the point before further dealing with the case.

(b) If the Tribunal should be of opinion that under the provisions of the Treaty its jurisdiction may be excluded, or if a Respondent objects to the jurisdiction of the Tribunal to entertain the claim or any part thereof, the Tribunal may, if it thinks fit, require the party raising this objection to satisfy the Tribunal that its jurisdiction is excluded, or may require evidence on the point to be forthcoming from an expert of the law of the country concerned, or may make such other order as may seem just, and may, if it thinks fit, adjourn the case until such evidence has been obtained or until the order has been carried out.

(c) It shall be the duty of the respective Government Agents to inform the Tribunal if they have grounds for believing that the jurisdiction of the Tribunal is excluded.

#### REPLY AND REJOINDER

15. If the Claimant desires merely to deny the facts alleged in the response it is not necessary for him to present a reply, but, if the Claimant desires to answer the facts alleged in the response otherwise than by way of denial, a reply must be sent to the Tribunal within thirty days from the receipt of the response by the Claimant, who shall with the reply supply six copies thereof to the Tribunal. The Secretariat will acknowledge receipt thereof to the Claimant and will transmit one copy of the reply to the Respondent, who shall acknowledge the receipt thereof to the Secretariat, and one copy to each of the Government Agents. Except in such cases, no reply shall be allowed.

If the Respondent desires merely to deny the facts alleged in the reply it is not necessary for him to present a rejoinder, but if the Respondent wishes to answer the facts alleged in the reply otherwise than by way of denial, a rejoinder must be presented to the Tribunal within thirty days from the receipt of the reply by the Respondent, who shall with the rejoinder supply six copies to the Tribunal. The Secretariat will acknowledge the receipt thereof to the Respondent and will transmit one copy of the rejoinder to the Claimant and one copy to each of the Government Agents.

Except in such cases no rejoinder shall be allowed and no further written proceedings after the rejoinder shall be allowed, other than the written argument provided for by Rule 28, except by special leave of the Tribunal.

The provisions of Rule 6 shall apply to the reply and to the rejoinder.

#### JOINT CLAIMS AND JOINDER OF PARTIES

16. Where two or more persons are jointly interested in the same claim, they shall present a joint claim, and where the relief sought is sought against two or more persons jointly, the claim shall be made against them jointly.

17.—(a) If the Respondent contends that any person not joined as Claimant ought to be so joined in accordance with the preceding rule, he may within twenty days of receipt of the memorial send in, in duplicate, a notice to the Secretariat naming such person and requiring the Claimant to join such person as Claimant and stating the reason why he requires such joinder. The Secretariat will forward such notice to the Claimant, who shall within thirty days from the receipt thereof state whether he consents to and will effect such joinder, in which case all proceedings shall be stayed until it is effected, or whether he refuses or is unable to effect such joinder, stating his reasons for such refusal or inability.

(b) If the Claimant consents to and is willing to effect such joinder, the written consent of the person to be joined shall be sent to the Tribunal within twenty-one days, and the Secretariat shall thereupon amend the memorial by adding the names of such person as Claimant, and notice of such joinder will be sent to the Respondent and the Government Agent of

the Claimant and Respondent, and all further proceedings shall be continued as if such joinder had been made from the commencement.

(c) If the Claimant fails to answer the notice as provided by Rule 17 (a) or refuses or states that he is unable to effect such joinder or if the written consent is not sent as provided by Rule 17 (b), notice thereof shall be given by the Secretariat to the Respondent, who may within ten days apply to the Tribunal to stay all proceedings until such joinder be effected. The Secretariat shall give notice of such application to the Claimant, and such application shall be heard by the Tribunal on a date to be fixed by the Tribunal not less than fourteen days after notice of such application has been sent to the Claimant.

18. If the Tribunal is satisfied that any person refuses to join as Claimant although he ought to join, the Tribunal may allow the case to proceed without such joinder, but in that case the Tribunal may refuse to entertain any claim in the future by such person with respect to the subject-matter of the claim in the presenting of which he ought to have joined.

19. If any person proceeds against some only of the persons jointly liable to him on the same claim and the Tribunal decides the case whether in favour of or against the Claimant, the Tribunal may refuse to entertain any claim in the future by such person against the other person or persons so jointly liable.

20.—(a) If a Respondent contends that some other person who is not joined as Respondent is jointly liable with him to answer the claim, he may within twenty days after the receipt of the memorial send a notice to the Secretariat that he requires such person to be joined as Respondent, giving his name and address, and stating the reasons why he requires him to be joined; and with such notice shall send a sufficient number of copies to enable the Secretariat to send one to the Claimant and to each of the persons whom the Respondent requires to be joined. The Secretariat will thereupon send such notice to the Claimant and to each of the persons named by the Respondent, and the Claimant and each of the said persons shall reply within ten days whether they consent to such joinder or not. In the event of the Claimant and each of such persons consenting to the joinder, the Secretariat will amend the memorial by adding them as parties, and the Claimant shall cause copies of the memorial to be served on each of such persons, and all future proceedings shall be continued as if such joinder had been made from the commencement.

(b) If either the Claimant or any of such persons do not consent to the joinder within ten days, the Secretariat shall notify the Respondent accordingly, and the Respondent may within ten days apply to the Tribunal to stay all proceedings until such joinder be effected. The Secretariat shall give notice of such application to the Claimant and such other person or persons, and such application shall be heard by the Tribunal on a date to be fixed by the Tribunal not less than fourteen days after notice of such application has been sent to the Claimant and such person or persons as aforesaid.

21.—(a) If any person not being a party claims to have a legitimate interest in prosecuting or resisting the claim, he may apply to the Tribunal to be joined as claimant or respondent as the case may be, or to be allowed to intervene in the case in such manner as the Tribunal may direct.

(b) If a Respondent contends that he is entitled to some right over against some other person in reference to the claim brought against him, he may give such person notice of his claim against him, and at the same time serve him with a copy of the memorial. Such person may thereupon apply to the Tribunal to be joined as Respondent or to be allowed to intervene in the case in such manner as the Tribunal may direct. If such person does not intervene and the Tribunal should be of opinion at the hearing that there are grounds for coming to the conclusion that the Respondent may succeed in his claim against such person, the Tribunal may, if it decides in favour of the Claimant, stay execution in order to enable the Respondent to prosecute his claim against such person upon such terms as to security and otherwise as the Tribunal may think just.



## SPECIAL RULES FOR PARTICULAR CASES

22. In addition to the above general rules, the following rules shall be observed in the under-mentioned cases :—

(1) *Cases under Article 305*

The person alleging that he is prejudiced by the decision shall be the Claimant and the other party to the cause or proceeding in which the decision was given or, if there be no such party, the Government shall be Respondent. The claim shall be accompanied by a copy of the decision and shall state in what respect the decision is impugned, with which Section or Sections of the Treaty it is alleged to be inconsistent and in what respect and what relief is claimed. The Claimant may also accompany his claim by copies of any essential written proceedings of the case in which the decision was given, authenticated in the manner prescribed by the law of the country to which the Court belongs. The Tribunal may of its own motion require the record of the Court to be transmitted to the Tribunal and it shall then be open to the inspection of the parties and their agents.

(2) *Appeals under Article 296, Annex, paragraph 20*

The Appellant shall be Claimant, and the party in whose favour the decision was given and the two clearing offices shall be Respondents. The claim shall state the grounds of the appeal and shall be accompanied by a copy of the decision appealed against and of all documents in the possession of the Claimant relevant to the case, and by a reasoned argument by the Claimant in support of his appeal. Together with the claim and documents, three copies thereof shall be supplied to the Tribunal, and the Claimant shall serve copies thereof on the opposite party and the Agents of the two clearing offices.

The Agent of the clearing office of which the Respondent is a national shall within thirty days of receipt of the claim supply to the Tribunal four copies of all documents relating to the case which are in his possession or power, unless the Claimant has already supplied them with his claim, and a statement of any facts found by the clearing offices. In addition, the Respondent or the clearing offices may supply a reasoned argument in writing in support of the decision of the two clearing offices.

Any of the parties (including the Agents of the clearing offices) may apply to the Tribunal to hear arguments before it, but in the absence of such application the Tribunal shall be at liberty to determine the case on the written proceedings without further argument, or to notify to the parties if it desires to hear an argument.

The Secretariat on receipt of the claim shall inform the Claimant what is the amount of deposit to be paid or security to be given, and such deposit shall be paid or security given within ten days, and in default the claim may be dismissed.

(3) *Cases under Article 296, Annex, paragraph 16*

Where cases are referred to the Tribunal under the above provision, the procedure laid down elsewhere in these rules shall not apply. The parties shall present a case jointly to the Tribunal, or each may present a case separately. In either event the contentions of the parties shall be set out in the case or cases, which shall be accompanied by all relevant documents. Six true copies of the case or cases and documents shall be prepared and lodged with the Secretariat. The matter will be determined by the Tribunal as laid down by Article 296, Annex, paragraph 18. The limitations of time imposed by these rules shall not apply to such cases; but where the two clearing offices are unable to agree whether a debt claimed is due, or in case of a difference between an enemy debtor and an enemy creditor or between the clearing offices, and the parties to the dispute do not desire to present a case jointly, either clearing office may, within ten days after giving notice to the other clearing office of such intention, refer the case to the Tribunal



under the conditions provided for by Article 296, Annex, paragraph 16. The enemy creditor or the enemy debtor may similarly, after giving twenty days' notice to the two clearing offices, refer the case to the Tribunal, unless the case shall have been referred to the Tribunal meanwhile by the clearing offices or either of them. The case shall proceed as if it had been referred to the Tribunal by the clearing offices.

#### CLOSE OF WRITTEN PROCEEDINGS

23. The Secretariat will inform the respective Government Agents and parties when the written proceedings are closed.

24.—(a) Within twenty days after the date of the notice that the written proceedings are closed, the parties shall send to the Secretariat a statement of the witnesses, if any, whose testimony they desire, giving in each instance the name, nationality, occupation and address of such witness, and stating whether the party desires that the testimony of such witness shall be given at the hearing of the case or whether it is desired that the evidence shall be taken upon commission, and shall at the same time furnish all parties and the Government Agents with a copy. The Tribunal will thereupon determine whether the evidence shall be taken on commission or will make such other order as seems fit. The Tribunal will before making an order hear any party or Government Agent who may desire to be heard on the matter on his forthwith applying to be heard, and will fix a date for all parties to be heard if they desire.

(b) Where the Tribunal orders that the witness shall be heard at the hearing, the Government agents shall be responsible for summoning the witness in accordance with the method applicable in each case unless the Tribunal otherwise directs. Travelling expenses and subsistence money must be supplied to the witness at the expense of the party at whose instance he is summoned. The amount of the same will be fixed by the Tribunal, and must be paid in advance to the Secretariat. If the subsistence money so paid should prove insufficient, the party at whose instance the witness was summoned must pay any further amount necessary, otherwise the witness will be allowed by the Tribunal to depart.

(c) Where the Tribunal directs that evidence shall be taken on commission the evidence shall be returnable to the Tribunal and copies shall be supplied by the Secretariat to any party or either Government Agent or any other person interested, and in the opinion of the Tribunal entitled to the same, on application and payment.

(d) Where it is desired that books, documents or other objects in the possession or power of any person should be produced for the use of the Tribunal, application may at any time after the close of the written proceedings be made to the Tribunal to obtain their production. The Tribunal will thereupon, if it thinks fit, endeavour to obtain possession of such books, documents or other objects by direct request addressed to such person, and, if such request is not complied with, will take such other steps as may be requisite and desirable to ensure production. Books, documents or other objects so coming into the custody of the Tribunal shall, if the Tribunal thinks fit, be open to inspection by such persons and at such times as the Tribunal shall direct.

25. Should a party or either of the Government Agents desire to inspect any books or documents in the possession, power or control of any party or of either Government Agent, he shall make application to that party or Agent to produce such books or documents for inspection; and if such production is refused, application therefor may be made to the Tribunal upon ten days' notice being given to that party or Agent, and the Tribunal may make such order thereon as it thinks fit.

26. The Tribunal may of its own motion at any stage of the proceedings require evidence on any point.

27. The Tribunal may of its own motion at any stage of the proceedings require any party or either Government Agent to produce any book or

document before it, or to allow any person designated by the Tribunal to examine and take extracts from any book or document in the possession of such party or Agent.

28. If in cases other than those under Article 296 any party or either of the Government Agents desires to submit a reasoned argument in writing, he may do so at any time after the written proceedings are closed, and not less than ten days before the date fixed for the hearing of the case, but such argument in writing shall be based only on facts alleged in the memorial, response, reply or rejoinder.

The submission of such written argument shall not preclude the parties or Agents submitting it from also adducing oral argument. The Tribunal reserves the right, if it shall think fit, to require in addition oral argument in cases where only written argument has been submitted.

29. The President will on the conclusion of all preliminary matters fix the date and the place of hearing, and the Secretariat will inform the respective Government Agents and parties of his decision.

30. The hearing shall be in public, and the parties shall either by themselves or by counsel or other recognized advocate present their cases. In cases connected with patents the parties may by leave of the Tribunal be represented by patent agents and *Patentanwälte*. Unless otherwise ordered the Claimant shall begin and have the right of reply.

31.—(a) The parties shall have the right themselves to give evidence, and shall, if required by the Tribunal, do so. Each party may call such witnesses as he pleases before the Tribunal and may question them by himself or his counsel or admitted representative. Each party shall have the right to question any witness called by the other party (including the opposite party himself) whether before the Tribunal itself or elsewhere, by himself or by counsel or other admitted representative.

If the party who does not call the witness questions him, the party who has called him may thereupon put further questions to the witness on matters arising out of the questions put to the witness by the other party. Unless the Tribunal shall otherwise order, no further questions shall be put to the witness by or on behalf of the parties. The Tribunal, however, will at any stage put any questions that it may think fit:

Provided always that a party to a case shall not be summoned or compelled to give evidence unless the Tribunal shall have given leave for such witness to be summoned or to give evidence or unless the Tribunal shall have required of its own motion that such party shall attend and give evidence.

(b) No oath shall be required from or administered to any witness before the Tribunal or on any Commission ordered by the Tribunal, unless the Tribunal otherwise directs.

32. The Tribunal may at any stage of the proceedings obtain a report from any person on any particular point, such person to be agreed upon by the parties or in default of agreement to be appointed by the Tribunal. The Tribunal may view any premises, locality or object if it deem such a view necessary.

33. If any party fail to appear, the case may be proceeded with in his absence, but the Agent of the Government of such party may intervene and himself take up the case, and the Tribunal may on the application of such Agent or on its own motion adjourn the case.

34. It shall be permissible for either Government to conduct the case of its national through its Agent, and such Agent may appear either in person or by counsel or other recognized advocate. Either Agent may also appear independently of the parties by himself or by counsel or other recognized advocate, and may intervene in the proceedings in such manner and at such time as the Tribunal may direct.

35.—(a) If the Government Agent of the Respondent after making all reasonable efforts shall be unable to cause the memorial to be served upon the Respondent as provided by Rule 7 at the expiration of twenty-one days from the receipt of the memorial by such Agent, he shall forthwith report such failure to the Secretariat, giving the reasons for such failure and stating

the steps he has taken to effect service, and the Secretariat shall inform the Claimant that the Respondent has not been served.

(b) On the application of the Claimant, the Tribunal may thereupon, if it thinks fit, allow the claim to be proceeded with or may make such other order in the matter as it thinks fit. The Government Agent of the Respondent shall be entitled to intervene on such application being made, and the Claimant shall give ten days' notice to such Agent of such application.

36. If at any stage of the proceedings a party requires to prove any specific fact it shall be open to the party to give a notice to the other party to admit or dispute such fact. If the party to whom notice is so given disputes the fact, and such fact is subsequently established, the Tribunal may in its discretion order the party who had disputed such fact to pay the costs of proof and any other costs occasioned thereby, whatever may be the result of the case, provided always that any such admission shall only be binding upon the parties.

37. Where a claim is made against either Government, and such claim is admitted by the Government in question, it shall be competent to the parties to agree upon a form of decision setting out with sufficient detail the claim which is admitted and the payment and restitution or other remedy or relief agreed upon, and to submit the same to the Tribunal, who, if it thinks fit, and if the Government Agent of the national claiming has not objected, will register the same as a decision, and the same shall, when registered, be deemed for all purposes to be a decision of the Tribunal. Provided that the Tribunal will not register any such decision unless the Government prove that he has submitted a true copy of the same to his Government Agent at least ten days previously. The same procedure with any necessary modification may be adopted where the claim is made against a national of either Government, provided that in such a case the Agent of neither Government has objected, and it is proved to the satisfaction of the Tribunal that the respective Government Agents have had true copies of the form of decision submitted to them at least ten days previously.

38. If in any case the parties agree upon the facts and desire the determination of the Tribunal on those facts, they shall submit an agreed statement of facts to the Tribunal, and it shall be competent to the Tribunal, with or without argument, according to the desire of the parties, to determine the questions at issue, provided that the Tribunal may in any case require arguments to be presented to them :

Provided also that in all cases the assent of the Government Agents, in writing, to the correctness of the facts as stated shall be obtained, except where the claim is against a Government.

#### DECISION

39. The decision of the Tribunal will in all cases be drawn up in writing and registered, and copies thereof will be sent by the Secretariat to the parties and Government Agents. The decision will also deal with costs and expenses.

40. The Tribunal reserves to itself the power to correct an error in any decision or other order arising from a slip or accidental omission, or to explain any ambiguity or other doubtful expression appearing in the decision. It shall be open to the parties or to the Government Agents to give notice of application to the Tribunal for any such correction or for any such explanation within thirty days of the publication of the decision. No such application will be heard after the expiration of that period.

41. The Tribunal reserves the right to stay execution on its decisions in any case where it appears proper to do so.

42.—(a) The Tribunal may require to be satisfied that all notices and communications prescribed by these Rules have been duly received. The production of a receipt from the postal authority of the posting of a registered postal packet shall be conclusive evidence of the receipt of a notice or communication by the person to whom it is addressed until the contrary is proved. In cases in which delivery by registered post is not practicable, heavy books



and documents may be sent by ordinary post and unregistered or by public carrier, and, on proof of such posting or delivery to such carrier, the books or documents shall be deemed to have been received by the person to whom they were addressed, unless and until the contrary is proved.

(b) All communications to the parties shall be delivered at or sent to the address and to the person named by them as provided by Rule 3 (h).

(c) If service or delivery as above provided should prove impracticable, the Tribunal will, upon application, give such directions as it may think fit, or may dispense with services.

43. In cases where any person is not residing in Europe, the additional time taken for any postal communications to reach or to arrive from the country in which such person is residing shall not be taken as included in the time prescribed by these rules; and further time may be granted on the application of any party where, owing to difficulties of communication or other good cause, such extension appears desirable.

Party shall include any person who has intervened in or has been allowed to take part in the case.

44. The proper expenses of witnesses will be allowed, and may be advanced by the Tribunal if called in pursuance of its order.

45. The Tribunal will permit amendments of written proceedings, extensions of time, and grant other dispensations from these rules in all such cases as may be necessary in the interests of justice and equity, and the Tribunal reserves power from time to time to alter, abrogate or add to these rules as experience may require.

46. These rules are supplemental to the rules of procedure relating to the Mixed Arbitral Tribunal laid down in Sections III to VII of Part X of the Treaty, and must be read in conjunction with such rules of procedure.

*Borel, President.*

*R. E. L. Vaughan Williams.*

*Zacharias.*

September 4, 1920.



## APPENDIX XVI

### GERMAN REPARATION (RECOVERY) ACT, 1921 AND ORDERS

[11 GEO. 5, CH. 5.]

*An Act to provide for the application of part of the purchase price of imported German goods towards the discharge of the obligations of Germany under the Treaty of Versailles.*

[24th March, 1921.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

Appropriation to-  
wards re-  
paration, &c.,  
of portion of  
imported  
German  
goods.

1.—(1) Subject to the provisions of this Act, after the thirty-first day of March, nineteen hundred and twenty-one, on the importation into the United Kingdom of any German goods to which this Act applies, the importer shall pay to the Commissioners of Customs and Excise (hereinafter referred to as the Commissioners) such proportion of the value of the goods, not exceeding fifty per cent., as the Treasury may from time to time prescribe :

Provided that this Act shall not apply to goods imported before the fifteenth day of April, nineteen hundred and twenty-one, if it is proved to the satisfaction of the Commissioners that the goods are imported in pursuance of a contract entered into before the eighth day of March, nineteen hundred and twenty-one.

(2) The payment of any sum to the Commissioners under this section shall, up to the amount of the payment, operate as a good discharge to the person by or on whose behalf the payment is made as against the person to whom the purchase price of the goods in question is due ; and the receipt of the Commissioners shall be conclusive evidence of such payment.

(3) The Commissioners shall pay all moneys received by them under this section into such special account as the Treasury may direct to be applied in such manner as the Treasury may direct towards the discharge of the obligations undertaken by Germany under Parts VIII and IX of the Treaty of Versailles.

Goods to  
which Act  
applies.

2. The German goods to which this Act applies are goods first consigned from Germany to the United Kingdom, and goods not so consigned being goods wholly or partially manufactured or produced in Germany, unless, in the case of goods partially manufactured or produced in Germany, twenty-five per cent. or more of the value of the goods is attributable to processes of manufacture undergone since the goods last left Germany :

Provided that, subject to compliance with such conditions as to security for re-exportation of the goods as the Commissioners may impose, this Act shall not apply to goods imported for exportation after transit through the United Kingdom, or by way of transhipment.

Supple-  
mental pro-  
visions.

3.—(1) The value of any imported goods shall for the purposes of this Act be taken to be the amount which an importer would give for the goods, including the sum payable to the Commissioners under this Act, if the goods were delivered to him at the place of importation, freight and insurance

being payable by him, and for the purpose of ascertaining the amount to be paid under this Act to the Commissioners that value shall be fixed by them :

Provided that, in the case of goods proved to the satisfaction of the Commissioners to be goods brought back into the United Kingdom after having been exported therefrom for the purpose of undergoing any process in Germany, the value of the goods for the purposes of this Act shall be taken to be such value as aforesaid after deducting therefrom such amount as is proved to the satisfaction of the Commissioners to have been the value of the goods at the time of exportation, together with freight and insurance outwards, and the sum contracted to be paid for the execution of the process shall be deemed to be the purchase price.

(2) Without prejudice to the powers of the Commissioners under the foregoing subsection, the sum stated in an invoice of goods imported on sale to be the price of the goods shall, if it includes the sum payable to the Commissioners under this Act, be *prima facie* evidence of the value of the goods for the purposes of this Act.

(3) If in ascertaining the amount to be paid under this Act any dispute arises as to the value of the goods, such question shall be referred to a referee appointed by the Treasury, who shall not be an official of any Government department, and the decision of the referee with respect to the matter in dispute shall be final and conclusive.

(4) Sections thirty and thirty-one of the Customs Consolidation Act, 1876, 39 & 40 Vict. as set out and modified in the Schedule to this Act, shall apply to disputes <sup>c. 36.</sup> as to the sum payable to the Commissioners under this Act.

(5) It shall be lawful for the Commissioners in the case of any goods to require the importer to furnish particulars in the prescribed manner as to the country from which the goods were first consigned or as to the country of manufacture or production of the goods, and if the particulars are not furnished to the satisfaction of the Commissioners the goods shall for the purposes of this Act be deemed to be goods first consigned from Germany, or, as the case may be, wholly manufactured or produced in Germany.

(6) Where it is proved to the satisfaction of the Commissioners that, by reason of any payment or advance made, consideration given, or obligation undertaken, before the eighth day of March, nineteen hundred and twenty-one, the sum payable to the Commissioners under the foregoing provisions of this Act exceeds the amount remaining due from the importer in respect of the goods imported, the sum payable to the Commissioners shall be reduced by the amount of such excess, and if any dispute arises as to the amount of such reduction the matter shall be referred to such referee as aforesaid.

4.—(1) Where any person is under a contract entered into before the eighth day of March, nineteen hundred and twenty-one, liable to accept bills of exchange or make advances in connexion with the importation of any goods, he may apply to the High Court, and the court, if satisfied that by reason of the provisions of this Act the enforcement of the contract according to its terms would result in serious hardship to him, may, after considering all the circumstances of the case and the position of all the parties to the contract and any offer which may have been made by any party for a variation of the contract, suspend or annul, or with the consent of the parties amend, as from such date as the court may think fit, or stay any proceedings for the enforcement of, the contract or any term thereof or any rights arising thereunder, on such conditions (if any) as the court may think fit.

Power of court to vary contracts.

(2) The Lord Chancellor may make such rules and give such directions as he thinks fit with respect to the procedure on applications under this section, and such rules may provide as to the notice to be given to other parties to the contract and the manner of giving such notice.

(3) In the application of this section to Scotland, references to "the High Court" and to "the Lord Chancellor" shall be construed as references to the "Court of Session," and references to "rules" shall be construed as references to "act of sederunt."

Power of Board of Trade to grant relaxations on recommendations of committee.

5.—(1) The Board of Trade may by order—

- (a) reduce as respects articles of any class, make, or description the proportion of the value of the goods payable to the Commissioners under this Act, or exempt articles of any class, make, or description from the provisions of this Act;
- (b) vary as respects articles of any class, make, or description the percentage referred to in section two of this Act;
- (c) substitute as respects articles of any class, make, or description some later date for the fifteenth day of April mentioned in section one of this Act;
- (d) extend the classes of contract to which section four of this Act relates:

Provided that the Board of Trade shall not make any such order except on the recommendation of a committee constituted as hereinafter provided.

(2) For the purposes aforesaid, the Board of Trade shall appoint one or more committees consisting mainly of persons of financial, commercial or industrial experience.

(3) Any order made by the Board of Trade under this Act shall be published in the London, Edinburgh, and Dublin Gazettes and in such other manner as the Board may consider best adapted for informing persons affected thereby.

(4) Anything authorized to be done by the Board of Trade under this Act may be done by the President, or a secretary, or assistant secretary, of the Board, or any person authorized in that behalf by the President.

Power to repeal or suspend Act.

6. If a resolution is passed by both Houses of Parliament for the repeal or suspension of this Act, it shall be lawful for His Majesty in Council by Order to repeal or suspend the operation of this Act to such extent, and, in the case of suspension, for such period, definite or indefinite, as may be specified in the resolution.

Short title and construction.

7.—(1) This Act may be cited as the German Reparation (Recovery) Act, 1921.

(2) This Act shall be construed together with the Customs (Consolidation) Act, 1876, and any enactments amending that Act.

#### SCHEDULE

##### CUSTOMS CONSOLIDATION ACT, 1876, SECTIONS 30 AND 31, AS MODIFIED

30. If any dispute arises as to the proper amount payable in respect of any goods the importer or consignee or his agent shall deposit in the hands of the collector of customs at the port of entry the amount demanded by such collector, which shall be deemed and taken as the proper sum payable under this Act unless an application is made for a reference to a referee appointed by the Treasury within three months after such deposit to ascertain what sum is payable in respect of such goods, and on payment of such deposit and on the passing of a proper entry for such goods by the importer, consignee, or agent, the collector shall allow the delivery thereof.

31. In case no such application for a reference is made, such deposit shall be applied in the same manner as if it had originally been paid and received as a payment due under this Act in respect of such goods, and in the case of such application if it shall be determined that the sum so deposited was not the proper sum, but that a less sum was payable, the difference between the deposit and the sum found to be due shall be returned to such importer with interest at the rate of 5 per cent. per annum for the period during which the sum so paid or returned was deposited. and shall be accepted by such depositor in satisfaction of all claims in respect of the importation of such goods and of all or any damages or expenses incident thereto.

#### TREASURY MINUTE DATED 24TH MARCH, 1921

My Lords read the German Reparation (Recovery) Act, 1921, providing for the application of part of the purchase price of imported German goods towards the discharge of the obligations of Germany under the Treaty of Versailles.

The Chancellor of the Exchequer recommends to the Board that the



proportion of the value of German goods to which this Act applies, to be paid to the Commissioners of Customs and Excise shall be 50 per cent. until further notice, subject to any Order which may from time to time be made by the Board of Trade as respects articles of any class or description under Section 5 of the Act.

The Chancellor of the Exchequer further recommends to the Board that the Commissioners shall pay all moneys received by them under Section 1 of the Act into an account to be opened in the books of the Paymaster-General to be entitled German Reparation (Recovery) Act Account.

The Chancellor of the Exchequer also recommends that an account of the receipts and expenditure of the Account should be laid before Parliament annually until the account is closed.

My Lords concur.

Let a copy of this Minute be transmitted to the Commissioners of Customs and Excise and the Comptroller and Auditor-General and laid before both Houses of Parliament.

### THE GERMAN REPARATION (RECOVERY) RULES, 1921. DATED APRIL 4, 1921

I, the Right Honourable Frederick Lord Birkenhead, Lord High Chancellor of Great Britain, in pursuance and execution of the powers given by Section 4 of the German Reparation (Recovery) Act, 1921, and all other powers and authorities enabling me in that behalf, make the following Rules:—

1. Any application for relief under Section 4 of the German Reparation (Recovery) Act, 1921, may be made either to the Chancery Division or to the King's Bench Division of the High Court and shall be made by way of originating summons. 11 Geo. 5,  
c. 5.

Application  
under s. 4 of  
the Act.

2. Any application made to the Chancery Division by way of originating summons shall be dealt with according to the ordinary practice of that Division with regard to originating summonses.

3. Any application made to the King's Bench Division by way of originating summons shall come before a Master or a District Registrar in the first instance and shall in general be dealt with according to the practice of that Division. It may be referred to the Judge or a Divisional Court at any stage of the proceedings or during the hearing or may by leave or order of the Judge taking the Commercial List be heard by him or transferred to that list.

4. The proceedings on any application may be transferred from either Division to the other subject to the consent of the President of the Division to which the transfer is proposed to be made.

5. Any originating summons under this Rule may be in the Form or to the effect of Form in the Schedule to these Rules, and shall provide for the entering of appearance by the defendant.

6. Where an action is commenced or other proceeding taken in respect of a contract to which Section 4 of the Act applies, the relief under that section may be claimed by way of defence or counterclaim or by way of ordinary summons in such action or other proceeding, and any such summons shall be intitled in the matter of the Act, as well as in the action or proceeding in question, and in the King's Bench Division may be dealt with by a Master or District Registrar.

7. The court or a judge may at any stage of the proceedings on an application under the Act order that the case shall thenceforward be heard in private. Power to  
hear in  
private.

8. Any order made under the Act or these Rules may, should subsequent circumstances render it just so to do, be suspended, discharged, or otherwise varied or altered on application by summons to the court or judge which made such order. Power to  
revoke or  
vary orders.

9. In any case where any party to any proceedings under the Act or these Rules is out of the jurisdiction service of any originating summons or a copy thereof or of any other proceeding may be ordered by a judge of Service or  
notice of  
proceedings.



the High Court and when any such party is absent or out of the jurisdiction or cannot be found or it is uncertain whether he is alive or dead or it is otherwise difficult to serve him the court or judge may proceed on such notice or intimation (if any) of the proceedings whether to any other person or by advertisement or otherwise as the court or a judge shall in its or his absolute discretion think fit. And the provisions of this Rule shall be in addition to and by way of extension and enlargement of the ordinary powers and practice of the court as to proceeding *ex parte* and as to substituted service.

Address for  
service.

10. In the course of any proceedings under the Act or these Rules any party may be requested at any time by the other party, or on any attendance by himself or his solicitor before the court or a judge may be required, to furnish an address to which summonses notices or other documents may be sent by post. And any summons notice or document subsequently posted in a prepaid envelope directed to the party at that address (or to any address substituted by him therefor by notification in writing) shall, unless otherwise ordered, be deemed to have been duly served at the time when such envelope would have reached the address in the ordinary course of post. The request to furnish such an address may be sent at the same time and together with the originating summons.

Ordinary  
practice of  
court to be  
followed.

11. The proceedings on any application under the Act shall, so far as not expressly provided for by these Rules, be conducted in accordance with the ordinary practice of the court to which the application is made in dealing with similar matters.

Costs.

12. The costs of any application under the Act shall be in the absolute discretion of the court or judge and the court or judge may, if it or he thinks fit, fix the amount of the costs, and direct that they shall be payable forthwith.

Interpre-  
tation.

13. In these Rules the expressions "Court or a Judge" and "Court or Judge" shall include a Master of the Supreme Court (King's Bench Division) and a District Registrar and "the Act" means the German Reparation (Recovery) Act, 1921.

Short title  
and com-  
mencement.

14. These Rules may be cited as the German Reparation (Recovery) Rules, 1921, and shall come into operation forthwith.

Dated the 4th day of April, 1921.

Birkenhead, C.

## SCHEDULE

### ORIGINATING SUMMONS

In the High Court of Justice.

Division.

(If in Chancery Division add the name of Judge.)

In the Matter of the German Reparation (Recovery) Act, 1921,

And in the Matter of a contract dated  
made between (give dates and parties).

and

Between

and

Plaintiff,

Defendant.

Let  
in the County of \_\_\_\_\_ of \_\_\_\_\_  
this summons on him inclusive of the day of service cause an appearance to be  
entered for him to this summons which is issued upon the application of \_\_\_\_\_  
of \_\_\_\_\_ in the County of \_\_\_\_\_,  
who claims to be interested under the above-mentioned contract for the relief  
following pursuant to Section 4 of the German Reparation (Recovery) Act, 1921,  
namely, that the above-mentioned contract may be suspended or annulled or any  
proceedings for the enforcement thereof stayed (state shortly the relief sought).

Dated the \_\_\_\_\_ day of \_\_\_\_\_

19 .

This summons was taken out by

of

Solicitor for the above-named.

The Defendant may appear hereto by entering appearance personally or by Solicitor at the Central Office, Royal Courts of Justice.

NOTE.—If the Defendant does not enter appearance within the time and at the place above-mentioned such order will be made and proceedings taken as the Court may think just and expedient.

THE GERMAN REPARATION (RECOVERY) (NO. 1) ORDER, 1921,  
DATED APRIL 7, 1921, MADE BY THE BOARD OF TRADE  
UNDER THE GERMAN REPARATION (RECOVERY) ACT, 1921  
(11 GEO. 5, CH. 5)

The Board of Trade, in pursuance of the powers conferred upon them by Section 5, subsection (1) of the German Reparation (Recovery) Act, 1921, and of all other powers enabling them in that behalf, upon the recommendation of a Committee constituted under Section 5, subsection (2), of the said Act, hereby make the following Order :

1. This Order may be cited as the German Reparation (Recovery) (No. 1) Order, 1921.

2. Any article of the following description if imported into the United Kingdom before the 15th day of May, 1921, shall be exempt from the provisions of the said Act, that is to say, any article in respect of which it is proved to the satisfaction of the Commissioners of Customs—

- (a) that a contract was entered into before the 8th day of March, 1921, and
- (b) that a sum of not less than 20 per cent. of the purchase price was irrevocably paid before the said 8th day of March, 1921, in pursuance of such contract, or
- (c) that the physical possession and property in the article the subject of such contract had passed to some person other than a German national prior to the said 8th day of March, 1921.

Dated this seventh day of April, 1921.

*Stanley Baldwin,*  
President, Board of Trade.

THE GERMAN REPARATION (RECOVERY) (NO. 2) ORDER, 1921,  
DATED APRIL 7, 1921, MADE BY THE BOARD OF TRADE  
UNDER THE GERMAN REPARATION (RECOVERY) ACT, 1921  
(11 GEO. 5, CH. 5)

The Board of Trade in pursuance of the powers conferred upon them by Section 5, subsection (1) (d) of the German Reparation (Recovery) Act, 1921, and of all other powers enabling them in that behalf, upon the recommendation of a Committee constituted under Section 5, subsection (2), of the said Act, hereby make the following Order :

1. This Order may be cited as the German Reparation (Recovery) (No. 2) Order, 1921.

2. The provisions of Section 4 of the said Act shall be extended so as to include contracts for resale which were entered into by any importer before the 8th day of March, 1921.

Dated this seventh day of April, 1921.

*Stanley Baldwin,*  
President, Board of Trade.

THE GERMAN REPARATION (RECOVERY) (NO. 3) ORDER, 1921,  
DATED APRIL 15, 1921, MADE BY THE BOARD OF TRADE  
UNDER THE GERMAN REPARATION (RECOVERY) ACT, 1921  
(11 GEO. 5, CH. 5)

The Board of Trade in pursuance of the powers conferred upon them by Section 5 of the German Reparation (Recovery) Act, 1921, and of all other powers enabling them in that behalf upon the recommendation of a Committee constituted under Section 5 of the said Act, hereby make the following order:—

1. This Order may be cited as the German Reparation Recovery (No. 3) Order, 1921.

2. Any article of the following description if imported into the United Kingdom before the 15th day of May, 1921, shall be exempt from the provisions of the said Act, that is to say, any article in respect of which it is proved to the satisfaction of the Commissioners of Customs and Excise—

- (a) that such article is imported in pursuance of a contract entered into prior to the 8th day of March, 1921, and  
 (b) that such article left the place from which it was consigned to the United Kingdom prior to the 8th day of April, 1921.

Dated this fifteenth day of April, 1921.

*S. J. Chapman,*  
 A Secretary, Board of Trade.

**THE GERMAN REPARATION (RECOVERY) (NO. 4) ORDER, 1921,  
 DATED APRIL 15, 1921, MADE BY THE BOARD OF TRADE  
 UNDER THE GERMAN REPARATION (RECOVERY) ACT, 1921  
 (11 GEO. 5, CH. 5)**

The Board of Trade in pursuance of the powers conferred upon them by Section 5 of the German Reparation (Recovery) Act, 1921, and of all other powers enabling them in that behalf, upon the recommendation of a Committee constituted under Section 5 of the said Act, hereby make the following Order:—

1. This Order may be cited as the German Reparation (Recovery) (No. 4) Order, 1921.

2. Any article of the following description, if imported into the United Kingdom prior to the 15th day of May, 1921, shall be exempt from the provisions of the said Act, that is to say, any article in respect of which it is proved to the satisfaction of the Commissioners of Customs that the physical possession and property therein had passed to a foreign Government other than the German Government prior to the 8th day of March, 1921, and that such article is imported for the purposes of being treated and sold on behalf of such foreign Government.

Dated this fifteenth day of April, 1921.

*S. J. Chapman,*  
 A Secretary, Board of Trade.

**THE GERMAN REPARATION (RECOVERY) (NO. 5) ORDER, 1921,  
 DATED APRIL 15, 1921, MADE BY THE BOARD OF TRADE  
 UNDER THE GERMAN REPARATION (RECOVERY) ACT, 1921  
 (11 GEO. 5, CH. 5)**

The Board of Trade, in pursuance of the powers conferred upon them by Section 5 of the German Reparation (Recovery) Act, 1921, and of all other powers enabling them in that behalf, upon the recommendation of a Committee constituted under Section 5, subsection (2) of the said Act, hereby make the following Order:

1. This Order may be cited as the German Reparation (Recovery) (No. 5) Order, 1921.

2. As respects articles of the description set out in the Schedule hereto, the proportion of the value of the goods payable to the Commissioners of Customs and Excise under the provisions of the said Act, shall be reduced from 50 per cent. to 5 per cent.

**THE SCHEDULE**

Any article in respect of which it is proved to the satisfaction of the Commissioners of Customs that such article, or the principal parts or contents thereof, cannot be produced and worked elsewhere than in Germany, and that such article is produced in and exported from Germany to the United Kingdom by a Company or Companies producing similar articles in Germany and exporting such articles therefrom to the United Kingdom before the 8th day of March, 1921, and in which not less than 90 per cent. of the capital is, and was prior to the said date, owned by British nationals.

Dated this fifteenth day of April, 1921.

*S. J. Chapman,*  
 A Secretary, Board of Trade.

NOTE.—This Order has recently been revoked by the German Reparation Recovery (No. 5) (Revocation) Order, 1921, which was issued on 27th May, 1921, and came into force on 15th June, 1921.



THE GERMAN REPARATION (RECOVERY) (NO. 6) ORDER, 1921,  
DATED APRIL 21, 1921, MADE BY THE BOARD OF TRADE  
UNDER THE GERMAN REPARATION (RECOVERY) ACT, 1921  
(11 GEO. 5, CH. 5)

The Board of Trade in pursuance of the powers conferred upon them by Section 5 of the German Reparation (Recovery) Act, 1921, and of all other powers enabling them in that behalf upon the recommendation of a Committee constituted under Section 5 of the said Act hereby make the following Order :

1. This Order may be cited as the German Reparation (Recovery) (No. 6) Order, 1921.

2. Any article of the following description shall be exempt from the provisions of the said Act, that is to say, any article which is proved to the satisfaction of the Commissioners of Customs and Excise to have been produced or manufactured in the Saar Basin as defined by Article 48 of the Treaty of Versailles.

Dated this 21st day of April, 1921.

*S. J. Chapman,*  
A Secretary, Board of Trade.

THE GERMAN REPARATION (RECOVERY) (NO. 7) ORDER, 1921,  
DATED APRIL 28, 1921, MADE BY THE BOARD OF TRADE  
UNDER THE GERMAN REPARATION (RECOVERY) ACT, 1921,  
(11 GEO. 5, CH. 5)

The Board of Trade in pursuance of the powers conferred upon them by Section 5 of the German Reparation (Recovery) Act, 1921, and of all other powers enabling them in that behalf upon the recommendation of a committee constituted under Section 5 of the said Act hereby make the following Order :

1. This Order may be cited as the German Reparation (Recovery) (No. 7) Order, 1921.

2. Any article of the following description shall be exempt from the provisions of the said Act, that is to say, any article which is proved to the satisfaction of the Commissioners of Customs and Excise to have been delivered by Germany to any Allied or Associated Power by way of reparation.

Dated this 28th day of April, 1921.

*S. J. Chapman,*  
A Secretary, Board of Trade.

THE GERMAN REPARATION (RECOVERY) (NO. 8) ORDER, 1921,  
DATED MAY 3, 1921, MADE BY THE BOARD OF TRADE UNDER  
THE GERMAN REPARATION (RECOVERY) ACT, 1921 (11 GEO. 5,  
CH. 5)

The Board of Trade in pursuance of the powers conferred upon them by Section 5 of the German Reparation (Recovery) Act, 1921, and of all other powers enabling them in that behalf upon the recommendation of a Committee constituted under Section 5 of the said Act hereby make the following Order :

1. This Order may be cited as the German Reparation (Recovery) (No. 8) Order, 1921.

2. Any article of the following description if imported into the United Kingdom before the 15th day of June, 1921, shall be exempt from the provisions of the said Act, that is to say, any article in respect of which it is proved to the satisfaction of the Commissioners of Customs and Excise that

(a) a Contract was entered into before the 8th March, 1921, and

(b) (i) such article is essential for the completion and working of machinery or plant which was partly delivered before the 8th March, 1921, and which cannot be used without such article ; or

(ii) such article is to replace an essential part of German machinery which was installed in the United Kingdom prior to the 8th March, 1921, or



- (iii) patterns drawings or designs for the manufacture of such article to the value of not less than 20 per cent. of the value of all articles to be manufactured under the Contract were sent to Germany before the 8th March, 1921.

Dated this 3rd day of May, 1921.

*S. J. Chapman,*  
A Secretary, Board of Trade.

**THE GERMAN REPARATION (RECOVERY) (NO. 9) ORDER, 1921,  
DATED MAY 3, 1921, MADE BY THE BOARD OF TRADE UNDER  
THE GERMAN REPARATION (RECOVERY) ACT, 1921 (11 GEO. 5,  
CH. 5).**

The Board of Trade in pursuance of the powers conferred upon them by Section 5 of the German Reparation (Recovery) Act, 1921, and of all other powers enabling them in that behalf upon the recommendation of a Committee constituted under Section 5 of the said Act hereby make the following Order :

1. This Order may be cited as the German Reparation (Recovery) (No. 9) Order, 1921.

2. Any article of the following description shall be exempt from the provisions of the said Act, that is to say, any article in respect of which it is proved to the satisfaction of the Commissioners of Customs and Excise :

- (a) that such article was sent from the United Kingdom to Germany, and
- (b) that such article was returned from Germany to the United Kingdom unaltered, and
- (c) that the property in such article still remains in the person by whom it was consigned from the United Kingdom to Germany.

Dated this 3rd day of May, 1921.

*S. J. Chapman,*  
A Secretary, Board of Trade.

**THE GERMAN REPARATION (RECOVERY) (NO. 10) ORDER, 1921,  
DATED MAY 3, 1921, MADE BY THE BOARD OF TRADE UNDER  
THE GERMAN REPARATION (RECOVERY) ACT, 1921 (11 GEO. 5,  
CH. 5)**

The Board of Trade in pursuance of the powers conferred upon them by Section 5 of the German Reparation (Recovery) Act, 1921, and of all other powers enabling them in that behalf upon the recommendation of a Committee constituted under Section 5 of the said Act hereby make the following Order :

1. This Order may be cited as the German Reparation Recovery (No. 10) Order, 1921, and shall come into force on the 15th day of May, 1921.

2. Any article of the following description if imported into the United Kingdom prior to the 15th June, 1921, shall be exempt from the provisions of the said Act, that is to say, any article in respect of which it is proved to the satisfaction of the Commissioners of Customs and Excise

- (a) that a Contract was entered into before the 8th day of March, 1921, and
- (b) that a sum of not less than 20 per cent. of the purchase-price was irrevocably paid before the 8th day of March, 1921, in pursuance of such Contract.

Dated this 3rd day of May, 1921.

*S. J. Chapman,*  
A Secretary, Board of Trade.

**TREASURY MINUTE, DATED 17TH MAY, 1921**

My Lords read again Their Minute of the 24th March last, determining that the proportion of the value of German goods to which the German Reparation (Recovery) Act, 1921, applies, to be paid to the Commissioners of Customs and Excise shall be 50 per cent. until further notice.

The Chancellor of the Exchequer recommends to the Board that in respect of

goods imported on and after 13th May, 1921, the proportion fixed by the above Minute shall be reduced to 26 per cent. until further notice.

My Lords concur.

Let a copy of this Minute be transmitted to the Commissioners of Customs and Excise, the Foreign Office, the Colonial Office, the India Office, the Board of Trade, and the Comptroller and Auditor-General, and laid before both Houses of Parliament.

THE GERMAN REPARATION (RECOVERY) (NO. 11) ORDER, 1921,  
DATED MAY 27, 1921, MADE BY THE BOARD OF TRADE UNDER  
THE GERMAN REPARATION (RECOVERY) ACT, 1921 (11 GEO. 5,  
CH. 5)

The Board of Trade in pursuance of the powers conferred upon them by Section 5 of the German Reparation (Recovery) Act, 1921, and of all other powers enabling them in that behalf upon the recommendation of a Committee constituted under Section 5 of the said Act hereby make the following Order :

1. This Order may be cited as the German Reparation Recovery (No. 11) Order, 1921.

2. Any article of the following description shall be exempt from the provisions of the said Act, that is to say, any article which is proved to the satisfaction of the Commissioners of Customs and Excise not to have been first consigned from Germany to the United Kingdom.

Dated this 27th day of May, 1921.

*S. J. Chapman,*  
A Secretary, Board of Trade.



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<sup>1</sup> Only Articles 1 to 7 and Articles 9 and 10 of this Decree were repealed by the Decree of 11th January, 1920 (see p. 330).



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